

patriotism I have just quoted. In fact, the pattern of existence you have followed had its roots in history which dates back to the days when New Jersey was one of the leaders among the Thirteen Colonies which resisted the stamp duties and taxation imposed by the British Parliament.

New Jersey's representatives were active in the sessions of the Continental Congress which led up to the Revolutionary War. This province was a battleground for several of the most important battles of the War for Independence and carried its full share of the burdens of the war.

Some may ask why do I refer to the bloody and ancient days of the American Revolution? In addition they may ask, "Isn't the membership of the Veterans of Foreign Wars the outcome of more recent and modern conflicts and isn't it our purpose to help bring some semblance of peace and security to our time?" We of the VFW can respond to those questions very quickly. We are constantly endeavoring to renew our faith in American ideals. We can appropriately turn to the old quotation which tells us that a man who has no regard for the past, has no concern for the future. We place a high priority on patriotism, Americanism, and the challenges facing all groups of citizens.

However, let us go one or two steps further with this theme. We know that no simple education in American history or in civics alone can defend an individual against anti-American ideals. In other words, no simple education in American history or in civics can defend an individual against the wiles of communism. Simply knowing how this country was developed and the dates the battles were fought, and that the Supreme Court and Congress and the President have different functions which check on each other, is not going to defend anybody. But knowing the whys behind our American institutions, knowing the meaningful version of American economic and political history—which must be taught primarily in schools—these things can first defend the individual and then defend the whole Nation.

A graphic illustration of what I am attempting to say is contained in the situation of the small boy who thinks everyone in the United States acquires a refrigerator, a washing machine, or a car simply by the process of living in the United States. What the small boy does not know is that the refrigerator, the washing machine, and the car must be paid for one way or another, either ready cash or the long process of a payment thereon for the next 36 months. But a lot of small children do not know that. They do not understand it at all. They think the whole system is a reflection of a new philosophy which says, "Get anything you want, get it right away, deny yourself nothing, discipline yourself not at all. Enjoy our wonderful materialistic comforts and rest secure; our country must be invulnerable because we have the best things."

I can summarize this philosophy by quoting a man who has had some thoughts about the subject. Gen. Lemuel C. Shepherd, Jr., who was the Commandant of the Marine Corps at the time of the Korean war, made a comment which referred especially to Communist-captured Americans who were grilled unmercifully during captivity. General Shepherd said this: "In the struggle against communism, war is no longer over when men are forced to give up. The prisoner-of-war camp is only another kind of battlefield. For they must be taught years before to carry on with the only weapons remaining to them; namely, courage and faith, and a sense of personal responsibility."

Ladies and gentlemen, the need to further the cause of our Republic will not be solved by magic formula. The best approach lies in an awakening of the consciousness of the Nation and of the individual—and that means you and me. Frankly, there is a definite need for a sense of conviction and dedication to our principles which exceeds that shown our enemy.

As some of you know, I returned from a tour of Russia's atom-research centers in the latter part of 1957. That will soon be 3 years ago, but the views that I reiterated upon my return continue to be basic and

vital to the prestige of the United States. Make no mistake about it, we must face up to Russia and recognize her ability to initiate and conduct worldwide propaganda.

During my visit to Moscow there was constant boasting about the Russian satellite, Sputnik I, which has been successfully launched October 4, 1957. The Soviets hammered at the point that the satellite was produced and launched by a Communist form of government. Furthermore, they asserted it was positive proof that Russia as a form of government excelled the United States. Mark you, Soviet science did not in 1957—and does not in 1960—operate on a 40-hour week. They work around the clock.

Ladies and gentlemen, our present concern with communism results primarily from the aggressive policies of the Soviet Union in the years since the close of World War II. The cold war between two giant powers, the United States and Russia, to control the future of the world creates a moral issue. As long as Americans are loyal, vigilant, and devoted, there is less danger of communism from within. We as a people must be willing to accept the responsibilities of leadership. In the cold war there is no quick or easy solution. Our loyalty demands that the United States should act positively to meet any Communist aggression; we must exploit Communist weaknesses; we must build relations of mutual respect with the rest of the world. Neither should we underestimate the resources of any potential enemy. Neither should we, my friends, underestimate the power of our loyalty to the United States. God forbid that we should ever underestimate the harvest we can reap—for the good of all mankind—if we neglect to practice loyalty ourselves, or teach it to the younger generation.

Ladies and gentlemen, our heritage of liberty and freedom has made Americans truly free. Therefore, let us resolve that as Americans we accept the challenge of communism by dedicating ourselves to that type of patriotism which has established for all Americans a Nation of free men and women.

## SENATE

WEDNESDAY, APRIL 27, 1960

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Rabbi David H. Panitz, of Temple Emanuel, Paterson, N.J., offered the following prayer:

Almighty and Eternal God, we convene again in this august Chamber with an awareness of Thy presence and with a firm resolve to make ourselves instruments for the fulfillment of Thy will. We know that our purpose on earth is only achieved by obedience to Thy message and by the acknowledgment of Thy sovereignty in all spheres of life. The mantle of leadership imposes inexorable responsibilities to deliberate and act with broad vision, with a love for all mankind, and with a sensitive devotion to the loftiest horizons of American democracy. We pray for the inner strength that will enable Thy servants to quest fearlessly for truth, to fashion the future with optimism, and to perform decisive deeds for the peace of our Nation and the world. May we be worthy of Thy continued blessings, O Master of all creation, as we manifest the wisdom and courage to make ourselves and our country exem-

plars of righteousness in the sight of all peoples, and as we mold ourselves and these United States into a potent force for moral rectitude in the sight of all the nations.

May we never shirk opportunities to unite all our citizenry into a bond of true brotherhood, nor eschew the prudent occasions and methods to draw together the hearts of all Thy children who inhabit this globe. May we never hesitate to defend the dignity of man and the sanctity of life for all who have been created in Thine image. May we learn to share with others the gifts of the earth and of human insight with which we have been abundantly endowed. May we ever find in service to exalted ideals the protection of our Nation's interests and the achievement of amity among the sons of men.

By our deeds of uprightness, compassion, and faith, we pray for Thy providential blessing: May the Lord bless you and protect you; may the Lord cause His countenance to shine upon you and may He be gracious unto you; may He lift up His face unto you and grant you peace. Amen.

## THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading

of the Journal of the proceedings of Monday, April 25, 1960, was dispensed with.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

## MESSAGE FROM THE HOUSE— ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 1751) to place in trust status certain lands on the Wind River Indian Reservation in Wyoming, and it was signed by the President pro tempore.

### LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, and I ask unanimous consent that statements in connection therewith be limited to 3 minutes. The VICE PRESIDENT. Without objection, it is so ordered.

### COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. DIRKSEN, and by unanimous consent, the Monopoly and Antitrust Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

### EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

#### AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Trade Development and Assistance Act of 1954 (with accompanying papers); to the Committee on Agriculture and Forestry.

#### REPORT ON AGREEMENTS CONCLUDED UNDER AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Administrator, Foreign Agricultural Service, Department of Agriculture, reporting, pursuant to law, on agreements concluded during March 1960 under title I of the Agricultural Trade Development and Assistance Act of 1954, with the Governments of India, Finland, and United Arab Republic (Egypt) (with accompanying papers); to the Committee on Agriculture and Forestry.

#### REPORT ON MILITARY PROCUREMENT ACTIONS FOR EXPERIMENTAL, DEVELOPMENTAL, OR RESEARCH WORK NEGOTIATED IN THE INTEREST OF NATIONAL DEFENSE OR INDUSTRIAL MOBILIZATION

A letter from the Acting Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military procurement actions for experimental, developmental, or research work negotiated in the interest of national defense or industrial mobilization, for the period July-December 1959 (with an accompanying report); to the Committee on Armed Services.

#### REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Deputy Director, Legislative Liaison, Department of the Air Force, Washington, D.C., reporting, pursuant to law, that, as of March 31, 1960, there was an aggregate of 2,462 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of government; to the Committee on Armed Services.

#### REPEAL OF ACT RELATING TO CONVEYANCE OF CERTAIN LAND BY THE UNITED STATES TO STATE OF WISCONSIN

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting a draft of proposed legislation to repeal the act of May 29, 1958, which au-

thorized and directed the Administrator of General Services to provide for the release of restrictions and reservations contained in an instrument conveying certain land by the United States to the State of Wisconsin (with an accompanying paper); to the Committee on Armed Services.

#### REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Acting Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work, during the month of February 1960 (with an accompanying report); to the Committee on Banking and Currency.

#### AMENDMENT OF SECTION 7 OF ADMINISTRATIVE EXPENSES ACT OF 1946, RELATING TO TRAVEL COST FOR CERTAIN PERSONS

A letter from the Chairman, United States Civil Service Commission, transmitting a draft of proposed legislation to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the United States, and for other purposes (with accompanying papers); to the Committee on Government Operations.

#### REPORT ON REVIEW OF POLICIES AND PRACTICES REGARDING UNEMPLOYMENT COMPENSATION PAYMENTS TO RETIRED FEDERAL EMPLOYEES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of policies and practices regarding unemployment compensation payments to retired Federal employees, Department of Labor, June 1959 (with an accompanying report); to the Committee on Government Operations.

#### REPORT ON REVIEW OF SELECTED ACTIVITIES OF THE GOVERNMENT OF AMERICAN SAMOA

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected activities of the Government of American Samoa, Office of Territories, Department of the Interior, dated April 1960 (with an accompanying report); to the Committee on Government Operations.

#### REPORT ON REVIEW OF SELECTED COMMERCIAL AIR SHIPMENTS OF HOUSEHOLD GOODS OF MILITARY PERSONNEL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected commercial air shipments of household goods of military personnel, dated April 1960 (with an accompanying report); to the Committee on Government Operations.

#### AUDIT REPORT ON GENERAL SERVICES ADMINISTRATION CONTRACT WITH NATIONAL LEAD CO.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on General Services Administration contract DMP-131, with National Lead Co., New York, N.Y., dated April 1960 (with an accompanying report); to the Committee on Government Operations.

#### AUDIT REPORT ON THEODORE ROOSEVELT CENTENNIAL COMMISSION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Theodore Roosevelt Centennial Commission, dated February 1960 (with an accompanying report); to the Committee on Government Operations.

#### AMENDMENT OF SECTION 2455 OF REVISED STATUTES

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation

to amend section 2455 of the Revised Statutes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

#### LAWS ENACTED BY LEGISLATURE OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislature of the Virgin Islands in its 1958 regular and special sessions (with accompanying papers); to the Committee on Interior and Insular Affairs.

#### REPORT ON PROVISION OF WAR-RISK INSURANCE AND CERTAIN MARINE AND LIABILITY INSURANCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, as of March 31, 1960 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

### PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the VICE PRESIDENT:

A resolution signed by E. E. Hagan, and sundry other citizens of Natchez, Miss., favoring the enactment of legislation to regulate organized labor; to the Committee on the Judiciary.

The petition of Corda C. Cox, of Springfield, Mo., praying for a redress of grievances; to the Committee on the Judiciary.

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations, without amendment:

S. 3072. A bill to authorize the Secretary of the Treasury to effect the payment of certain claims against the United States (Rept. No. 1294).

By Mr. CLARK, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 8289. An act to accelerate the commencing date of civil service retirement annuities, and for other purposes (Rept. No. 1295).

By Mr. HENNING, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 92. Concurrent resolution creating a Joint Committee on Arrangements for the inauguration of the President-elect and the Vice President-elect on January 20, 1961.

#### REPORT ENTITLED "SMALL BUSINESS INVESTMENT ACT—1960" (S. REPT. NO. 1293)

Mr. WILLIAMS of New Jersey. Mr. President, at the request of the junior Senator from Alabama [Mr. SPARKMAN], chairman of the Senate Small Business Committee, and on his behalf, I submit to the Senate a committee report entitled "Small Business Investment Act—1960," and ask that it be printed.

I wish to add that this report contains findings and recommendations of the committee for improving the effectiveness of the Small Business Investment Act of 1958. The Senator from Alabama, and others of us on the committee, expect to introduce legislation in the near future to carry out the committee's aims.



I am also happy to say that this report is a unanimous one—enjoying the support of all the committee members.

The VICE PRESIDENT. The report will be received and printed.

#### JOINT COMMITTEE ON ARRANGEMENTS FOR INAUGURATION OF PRESIDENT-ELECT AND VICE-PRESIDENT-ELECT ON JANUARY 20, 1961

Mr. HAYDEN. Mr. President, earlier today, Senate Concurrent Resolution 92, which I submitted, and which creates a Joint Committee on Arrangements for the inauguration of the President-elect and the Vice President-elect on January 20, 1961, has been reported from the Committee on Rules and Administration.

It is important that this concurrent resolution be adopted. It has been delayed. Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. The resolution will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 92) creating a Joint Committee on Arrangements for the inauguration of the President-elect and the Vice-President-elect on January 20, 1961.

The VICE PRESIDENT. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution (S. Con. Res. 92) was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect and Vice-President-elect of the United States on the 20th day of January 1961.*

#### EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports were submitted:

By Mr. FULBRIGHT, from the Committee on Foreign Relations:

Executive J, 86th Congress, 1st session, a Convention on the Territorial Sea and the Contiguous Zone, dated at Geneva April 29, 1958, and signed on behalf of the United States of America on September 15, 1958 (Ex. Rept. No. 5);

Executive K, 86th Congress, 1st session, a Convention on the High Seas, dated at Geneva April 29, 1958, and signed on behalf of the United States of America on September 15, 1958 (Ex. Rept. No. 5);

Executive L, 86th Congress, 1st session, an Agreement entitled "Convention on Fishing and Conservation of the Living Resources of the High Seas," adopted by the United Nations Conference on the Law of the Sea at Geneva on April 29, 1958 (Ex. Rept. No. 5);

Executive M, 86th Congress, 1st session, a Convention on the Continental Shelf, dated at Geneva April 29, 1958, and signed on behalf of the United States of America on September 15, 1958 (Ex. Rept. No. 5); and

Executive N, 86th Congress, 1st session, an Optional Protocol of Signature Concerning the Compulsory Settlement of Disputes, dated at Geneva April 29, 1958, and signed on behalf of the United States of America on September 15, 1958 (Ex. Rept. No. 5).

#### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSS:

S. 3426. A bill for the relief of Mr. and Mrs. Don Lund; to the Committee on the Judiciary.

By Mr. PROUTY:

S. 3427. A bill to amend the Federal Employees' Compensation Act, as amended, to make benefits more realistic in terms of present wage rates, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PROUTY when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3428. A bill for the relief of Wilhelmina Sophia DeBruyne; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 3429. A bill to amend section 216(b) of the Merchant Marine Act, 1936, as amended, to permit the appointment of U.S. nationals to the Merchant Marine Academy; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appear under a separate heading.)

By Mr. KERR:

S. 3430. A bill to amend the Internal Revenue Act of 1954; to the Committee on Finance.

S. 3431. A bill to authorize the modification for future water supply purposes of the project for flood control in the Red-Ouachita River Basin; to the Committee on Public Works.

By Mr. WILLIAMS of New Jersey:

S. 3432. A bill for the relief of Salvatore Briganti; to the Committee on the Judiciary.

By Mr. BIBLE (for himself, Mr. CANNON, Mr. HAYDEN, and Mr. GOLDWATER):

S. 3433. A bill giving the consent of Congress to a compact between the State of Arizona and the State of Nevada establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. BARTLETT (for himself and Mr. GRUENING):

S. 3434. A bill to facilitate the selection by Alaska pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

S. 3435. A bill to clarify the rights of States to select certain public lands subject to any outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

#### AMENDMENT OF FEDERAL EMPLOYEES' COMPENSATION ACT

Mr. PROUTY. Mr. President, I introduce, for appropriate reference, a bill to amend the Federal Employees' Compensation Act, as amended, to make benefits more realistic in terms of present wage rates and for other purposes.

The primary aim of the bill is to increase the benefits afforded by existing law to employees of the Federal Government, other than military personnel, who are injured in the performance of

their duties and the dependents of those who died as a result of such injuries.

I ask unanimous consent to have printed in the RECORD an explanation of the bill and a section by section summary discussion of its provisions.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the explanation of the bill and section by section summary discussion will be printed in the RECORD.

The bill (S. 3427) to amend the Federal Employees' Compensation Act, as amended, to make benefits more realistic in terms of present wage rates, and for other purposes, introduced by Mr. PROUTY, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The explanatory statement presented by Mr. PROUTY is as follows:

#### EXPLANATION OF A BILL TO AMEND THE FEDERAL EMPLOYEES' COMPENSATION ACT AS AMENDED

Under the Federal Employees' Compensation Act the amount of compensation paid for disability and death is computed on the basis of the monthly pay received by an injured employee at the time of injury. As a result, compensation payments to beneficiaries on account of injuries sustained in prior years fail to reflect the sharp rise in pay and living costs in recent years and are substantially less than benefits paid on present wage levels. Approximately 50 percent of the 8,200 cases of permanent or long-continuing disability and more than 76 percent of the 5,000 death cases in which benefits are presently being paid occurred prior to 1951. In nearly 16 percent of these cases the injury occurred prior to World War II and in 26 percent of these cases the injury occurred during the war years 1941-45.

To deal equitably with employees and their dependents whose wage base (i.e., the monthly pay at the time of injury), is geared to an old rate of pay, it is necessary to provide specifically for them. The amendments to the Federal Employees Compensation Act enacted in 1949 dealt with this problem by increasing the wage base by 40 percent, if the injury occurred before January 1, 1941, or by 10 percent if the injury occurred on or after that date but before July 1, 1946. However, the substantial increase in rates of pay since 1946 and the rise in living costs since that time make a further increase in the wage base necessary to provide equitable treatment for employees injured in prior years and their dependents. To provide for such employees and their dependents this bill would increase by 10 percent the wage base used to compute the amount of compensation for disability or death if the injury for which compensation is payable occurred before January 1, 1958.

The bill would also increase the minimum amount of compensation for total disability from \$112.50 to \$150 per month except in cases where the monthly pay of the injured employee is less than \$150, in which event—as under the act at the present time—the compensation for total disability would be equal to the full monthly pay of the injured employee.

In addition, the bill would increase (1) the minimum wage base to be used in determining the amount of compensation to be paid in death cases from \$150 to \$200, (2) the amount available for burial expenses to the beneficiaries of an employee whose death resulted from an injury sustained in the performance of his duties, (3) the maximum amount allowable for the services of an attendant in those cases where the employee is so helpless as to require such con-

stant service, and (4) the maximum allowance payable for the maintenance of an employee who is undergoing rehabilitation pursuant to the direction of the Bureau of Employees' Compensation.

The bill would also increase the benefits being paid in approximately 1,100 fatal and 200 total disability cases which arose out of various Federal emergency relief programs in operation between 1934 and 1942. The benefits presently being paid in these cases, which are governed by the provisions of the act of February 15, 1934, are pitifully small. The beneficiaries in the fatal cases, who are almost exclusively widows, most of whom are well advanced in years, now receive on an average of \$30 per month, and the compensation rate in many of the total disability cases is less than \$100 per month. This bill would authorize a minimum compensation rate of \$100 per month for the total disability cases and compensation at the rate of \$52.50 per month for widows.

The bill contains a number of technical amendments and refinements to facilitate and make more equitable the administration of the act. Principal among these are amendments: (1) authorizing payment of compensation for scheduled disability in addition to benefits under the Civil Service Retirement Act, (2) requiring election of benefits in any case where the claimant for compensation also is eligible to receive certain payments or benefits from the United States for the same disability or death, (3) authorizing medical care to those employees who after sustaining compensable injuries are required to make an election and elect to receive their retirement annuity, (4) providing an additional method for computing the amount of compensation in certain cases of disability and recurring disability, (5) extending the time period for giving notice of injury and filing claim for compensation in cases of latent disability and, (6) assuring Government employees required to appear as parties or witnesses in the prosecution of third-party cases that they will be treated as in active duty status while so engaged.

The bill also includes a proposal designed to further the promotion of safety in the various Federal agencies and establishments by requiring all Federal agencies to include in their annual budget estimates a request for funds to repay the Employees' Compensation Fund for the costs of benefits paid during the preceding fiscal year on account of the injury or death of employees under the jurisdiction of each such agency.

A summary discussion of the bill by title and section follows:

Section 1 of the bill provides a short title for the legislation, the "Federal Employees' Compensation Act Amendments of 1960."

Section 101: This section amends (1) section 6(b)(1) of the Federal Employees' Compensation Act to increase the maximum allowance for the service of an attendant from \$75 to \$125 per month, (2) section 6(b)(2) of the act to increase from \$50 to \$100 per month the maximum allowance payable for the maintenance of a disabled employee undergoing vocational rehabilitation at the direction of the Bureau, and (3) section 6(c) of the act to increase the minimum amount of compensation in cases of total disability from \$112.50 to \$150.

There are few cases in which an injured person is so helpless as to require the constant service of an attendant. However, where this need does exist, the present allowance of \$75 is wholly inadequate.

The existing maximum allowance payable for the maintenance of a disabled employee undergoing vocational rehabilitation at the direction of the Bureau is inadequate. The proposed new maximum is approximately the same as the maintenance allowance authorized under the Longshoremen's and Harbor Workers' Compensation Act.

The increase in the minimum compensation rate for cases of total disability is applicable, as are the other amendments to the Federal Employees' Compensation Act contained in this section, to cases already on the rolls as well as prospectively. The effect of this provision will be to assure a minimum compensation rate of \$150 in total disability cases in which the monthly pay of the injured employee (including adjustments in the monthly pay in old cases made by this act and the Federal Employees' Compensation Act Amendments of 1949) is equal to at least \$150. If the monthly pay of the totally disabled employee is less than \$150, the rate of compensation, as under the act at present, will be equal to his full monthly pay.

Section 102: This section will increase the minimum wage base to be used in determining the amount of compensation to be paid in death cases from \$150 to \$200.

Section 103: This section increases the maximum allowance for burial expenses from \$400 to \$800. The present maximum allowance for burial expenses is wholly inadequate and in many cases the family of the deceased employee is required to bear the expense of a major part of the cost of a modest burial.

Section 104: This section increases by 10 percent the monthly pay upon the basis of which compensation for disability or death is computed under the Federal Employees' Compensation Act, as amended, for every employee as defined in section 40(b)(1) or (2) of the Federal Employees' Compensation Act, as amended, if such employee's injury (or injury causing death) occurred before January 1, 1958. The section explicitly provides that nothing in this or any other act of Congress shall be construed to make the increase in the monthly pay provided by this section applicable to military personnel, or any person or employee not within the definition of section 40(b)(1) or (2) of the Federal Employees' Compensation Act. The section also explicitly provides that the increase in the monthly pay authorized is applicable only with respect to any period beginning on or after the first date of the first calendar month following the enactment of this act and shall not be construed to permit the amount of compensation paid on account of an employee's disability or death to be increased more than 10 percent.

The increase in the wage base authorized by this section will be applied to all cases on the rolls to which this section is applicable before the increase in the minimum wage base for computing death benefits authorized by section 102 of this act and the increase in the minimum compensation rate in total disability cases authorized by section 101 of this act is applied.

Section 105: This section will increase the benefits now being paid under the provisions of the act of February 15, 1934, in approximately 1,100 fatal and 200 total disability cases which arose out of various Federal emergency relief programs in operation between 1934 and 1942.

The increase in benefits would be accomplished by raising the monthly pay on the basis of which compensation for disability or death is computed in these cases from \$75 to \$150. This will result in a minimum compensation rate of \$100 per month for the permanent total disability cases, the great majority of which presently receive considerably less than that amount, and compensation at the rate of \$52.50 for the widows in death cases who presently received an average of \$30 per month.

#### TITLE II. TECHNICAL AMENDMENTS

Section 201: This section amends section 7 of the Federal Employees' Compensation Act to permit the payment of compensation for scheduled permanent disability specified

in subsection 5(a) of the act in addition to benefits under the Civil Service Retirement Act. At present such compensation and benefits under the Civil Service Retirement Act may not be paid for the same period of time.

At present an employee who suffers an injury which entitles him to a scheduled award may receive the compensation provided by the Federal Employees' Compensation Act for that injury although he returns to full-time duty without any loss in pay. It is inequitable to force an employee who is eligible to and elects to retire after sustaining such an injury to forego the compensation provided by the Federal Employees' Compensation Act for the schedule loss.

In addition, this section amends the Federal Employees' Compensation Act to require an election of benefits in any case in which a claimant for compensation is eligible to receive any payment for benefits from the United States by reason of the same disability or death. A small number of cases have occurred in which the Bureau has found that the disability or death of an employee has resulted from an injury sustained in civilian employment by the United States and the Veterans' Administration has held that the same disability or death was caused by military service. As a result, the United States has paid compensation twice for the same disability or death. This amendment is intended to prevent payment of dual benefits in such cases in the future.

Section 202: This section amends the Federal Employees' Compensation Act to permit the furnishing of medical care under the act to an employee who after sustaining a compensable injury elects to receive a civil service retirement annuity for which he is eligible. The present prohibition against payment of compensation and retirement benefits for the same period of time precludes the furnishing of medical care in such cases unless the beneficiary elects to receive compensation benefits in lieu of the annuity for the period he is under medical care.

Section 203: This section would amend the Federal Employees' Compensation Act to make clear that the statutory period within which an employee is required to file a claim for compensation in cases of latent disability does not begin to run until the employee has a compensable disability and is aware, or by the exercise of reasonable diligence should have been aware, of the causal relationship of the compensable disability and his employment.

One of the major problems affecting the payment of compensation in cases of latent disability is the statutory requirement regarding the time within which the employee must file a claim for benefits. An employee may not know that he is suffering from a radiation disease, for example, for many years after the date of exposure. Even after he becomes aware of the existence of some such injury, it may be years before he becomes unable to continue his work, and under a disability for which he is entitled to receive compensation. Yet, his failure to file a claim may, because of the statutory requirements regarding the time within which a claim must be filed, defeat his right to compensation after the disability arises.

To protect employees in such cases, it is necessary that the statutory period after which a claim is barred not begin to run until the date the employee suffers disability and knew, or by the exercise of reasonable diligence should have known, of its existence and its causal relationship to his employment.

However, even when there is no disability upon which to base a claim for compensation, notice of the injury should be given by the employee as soon as he knows of its existence, so that the first opportunity to investigate the potential claim is not lost. For this reason, the statutory requirement



of notice of injury established by this section for cases of latent or undiscovered disability is not conditioned upon the existence of any disability. It applies as soon as the employee is aware or in the exercise of reasonable diligence should have been aware that his condition is causally related to his employment, regardless of whether or not there is a compensable disability.

**Section 204:** This section would make it a misdemeanor, punishable by a fine of not more than \$500 or imprisonment for not more than 1 year, or both, for an officer or employee of the United States, charged with responsibility for making reports of injuries, to willfully fail or neglect to make such a report, or to induce an employee to forego filing a claim, or to willfully retain any notice required to be filed under the Federal Employees' Compensation Act.

**Section 205:** This section would insure that Government employees will be treated as in an active duty status when they must appear as parties or witnesses in third-party cases which the Government has required to be prosecuted by, and in the name of, an injured employee.

Existing law does not make clear the authority of a Government agency to carry an employee who is a party or witness to such a proceeding in an active duty status while he is attending court proceedings. Existing statutory provisions concerning the status of Government employees required to appear in legal proceedings deal only with those employees summoned to appear as a witness on behalf of the United States and the District of Columbia in actions to which the United States or the District is a party. By Executive order provision is made for court leave for certain Government employees who are absent from duty and in attendance in court as a witness in behalf of the United States or the Government of the District, or who are called for jury duty in any State court or court of the United States. Decisions of the Comptroller General have held that a Government employee required to appear in private litigation "may be regarded as in a duty and pay status during the period of his necessary absence . . . where the value of the witness testifying in private litigation arises from his official capacity and he is subpoenaed solely because of and to testify in that capacity or to produce official records."

It appears that existing legislation and precedents are not helpful in third-party negligent cases since they are brought in the name of the injured employee and so are private litigation in which the Government employees appearing as parties and witnesses are not testifying as to matters arising from any official capacity.

In such third-party cases, therefore, Government employees have been charged with annual leave or placed on leave without pay, while so engaged. This situation has caused great resentment in employees obligated to appear as parties and witnesses in such lawsuits. Since the Government requires the action to be prosecuted in the name of the injured employee, although it is in many cases the principal beneficiary of the action, employees obligated to appear should not be required to do so on their own time and at their own expense.

**Section 206:** This section would establish as the wage base for injured employees whose disability for work begins more than 1 year after they were injured, the monthly pay, at the time they were disabled, of the same job, position, or employment in which they were engaged when injured. Similarly, disabled employees who resume regular full-time employment and suffer a recurrence of the disability after more than 1 year, would have as their wage base the monthly pay, at the time of the recurrence of their disability, of the same job, position, or employment in which they were engaged when they were injured.

**Section 207:** This section would require all Federal agencies to include in their annual budget estimates a request for funds to repay the employees' compensation fund for the cost of benefits paid during the preceding fiscal year on account of the injury or death of employees under the jurisdiction of each such agency. The Secretary of Labor would be required to furnish to each executive department and each agency or instrumentality of the United States having employees who are or may be entitled to compensation benefits under the Federal Employees' Compensation Act a statement showing the total cost of benefits and other payments made from the employees' compensation fund during the preceding fiscal year on account of the injury or death of employees or persons under the jurisdiction of the agency. The provision would make an additional charge against corporations and agencies subject to the Government Corporation Control Act for their fair share of the cost of administering the Federal Employees' Compensation Act.

This provision would bring to the attention of the heads of each agency the cost of compensation for injuries to employees under his jurisdiction and require him to justify such expenditure to the Bureau of the Budget and to Congress.

**Section 208:** This section provides for the dates upon which various provisions of the bill would become effective and is, in most part, self-explanatory.

The bill does not retroactively grant any benefits for any past periods of disability nor are death benefits retroactively increased. All changes in benefit payments would be made prospectively. Where increased benefits are provided cases already on the rolls, the new benefit provisions would apply to old cases only with respect to any period beginning on or after the first date of the first calendar month following the enactment of this act.

An exception is the provision contained in section 201 of this act permitting the payment of compensation for scheduled permanent disability in addition to benefits under the Civil Service Act. This provision is applicable to any injury which occurred within 3 years prior to the date of enactment of this act as well as prospectively. Similarly, the provision in section 201 of this act requiring an election of the benefits in any case in which a claimant for compensation is also eligible to receive certain payments or benefits from the United States for the same disability or death is applicable to any injury or death occurring before enactment of this act as well as prospectively, but shall not deprive any person of benefits in any case in which an award has been made.

#### APPOINTMENT OF U.S. NATIONALS TO MERCHANT MARINE ACADEMY

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend section 216(b) of the Merchant Marine Act, 1936, as amended, to permit the appointment of U.S. nationals to the Merchant Marine Academy. I ask unanimous consent that a letter from the Assistant Secretary of the Interior, requesting the proposed legislation, be printed in the Record.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the Record.

The bill (S. 3429) to amend section 216(b) of the Merchant Marine Act, 1936, as amended, to permit the appointment of U.S. nationals to the Merchant Marine Academy, introduced by Mr. MAGNUSON, by request, was received, read

twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

U.S. DEPARTMENT OF THE INTERIOR,  
Washington, D.C., April 15, 1960.

HON. RICHARD M. NIXON,  
President of the Senate,  
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed herewith is a draft of a proposed bill, "to amend section 216(b) of the Merchant Marine Act, 1936, as amended, to permit the appointment of U.S. nationals to the Merchant Marine Academy."

We suggest that this bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

By the act of February 20, 1958 (Public Law 85-331; 46 U.S.C., sec. 1126(b)(1)), a quota for appointments to the Merchant Marine Academy from American Samoa was established. However, the Maritime Administration has construed the Merchant Marine Act, 1936, to require appointees to the Merchant Marine Academy to be American citizens. Also, licensed officers of vessels documented under the laws of the United States are required to be American citizens.

The native population of American Samoa is composed almost entirely of persons who are nationals and who owe allegiance to the United States, but who are not citizens. Thus, it has been difficult to find qualified American Samoans who are eligible to accept appointment to the Merchant Marine Academy under Public Law 85-331.

The enclosed bill would serve merely to make training at the Academy available to those American Samoans who are now barred solely because of their status as nationals. Such appointees would, of course, have to meet the same standards of admission as are required of other cadets. The bill would preserve the existing bar against licensing of noncitizens as officers in the American Merchant Marine.

The sea is a vital element in the life of this island people. The schooling at the Academy of a few selected American Samoans would provide the territory with a small corps of professionally trained persons for local navigation, port administration, and the like.

There is precedent in existing law for the training of noncitizens (the act of August 9, 1946; 60 Stat. 961).

The Bureau of the Budget has advised that there is no objection to the submission of the proposed legislation to the Congress.

Sincerely yours,

ROGER ERNST,  
Assistant Secretary of the Interior.

#### CLARIFICATION OF RIGHT OF STATES TO SELECT CERTAIN PUBLIC LANDS—AMENDMENT

Mr. MOSS. Mr. President, I submit, for appropriate reference, an amendment in the nature of a substitute to the bill—S. 2959—to clarify the right of States to select certain public lands subject to any outstanding mineral lease or permit, which I introduced on February 2, of this year. This amendment has been worked out with the director of the Utah State Land Board in conference with the Department of the Interior.

The VICE PRESIDENT. The amendment will be received and printed, and will be appropriately referred.

The amendment was referred to the Committee on Interior and Insular Affairs.

# AMENDMENT AND EXTENSION OF SUGAR ACT OF 1948—AMENDMENT

Mr. GOLDWATER submitted an amendment, intended to be proposed by him, to the bill (S. 3210) to amend and extend the provisions of the Sugar Act of 1948, as amended, which was referred to the Committee on Finance, and ordered to be printed.

## OFFICE OF INTERNATIONAL TRAVEL—ADDITIONAL COSPONSOR OF BILL

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the distinguished junior Senator from Florida [Mr. SMATHERS] be made a cosponsor of the bill—S. 3102—to establish an Office of International Travel.

The VICE PRESIDENT. Without objection, it is so ordered.

## ADMISSIONS AND CONFESSIONS IN CRIMINAL PROCEEDING—ADDITIONAL COSPONSORS OF BILL

Mr. ERVIN. Mr. President, on Monday the Senator from Virginia [Mr. BYRD], the Senator from Arkansas [Mr. McCLELLAN], the Senator from South Carolina [Mr. JOHNSTON], and I introduced a bill, S. 3411, to rescind the artificial rule of evidence established by the Supreme Court in the McNabb and Mallory cases, and to restore to the Federal law of evidence the sound rule of evidence that when an accused voluntarily confesses he committed a crime his voluntary confession shall be admissible against him when he is tried for such crime.

Mr. President, I ask unanimous consent that the distinguished senior Senator from Maryland [Mr. BUTLER] and my colleague from North Carolina [Mr. JORDAN] be designated upon the RECORD as cosponsors of the bill.

The VICE PRESIDENT. Without objection, it is so ordered.

## CHANGE OF REFERENCE

Mr. MURRAY. Mr. President, the bill—S. 3310—to amend the act entitled "An act to transfer the maintenance and operation of hospital and health facilities for Indians to the Public Health Service, and for other purposes," approved August 5, 1954, has been referred to the Committee on Interior and Insular Affairs. This measure has to do with problems involving medical care for our American Indians provided by the U.S. Public Health Service.

Inasmuch as the responsibility for providing health services to Indians has been transferred from the Department of the Interior to the Public Health Service, and since legislation affecting that agency is within the jurisdiction of the Senate Committee on Labor and Public Welfare, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from the further consideration of Senate bill 3310, and that it be referred to the Committee on Labor and Public Welfare.

The Senators from Washington [Mr. MAGNUSON and Mr. JACKSON] are the cosponsors of the bill. Their offices advise me they have no objection to the referral of the proposed legislation.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

## ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, April 27, 1960, he presented to the President of the United States the enrolled bill (S. 1751) to place in trust status certain lands on the Wind River Indian Reservation in Wyoming.

## ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. RANDOLPH:

Speech by Hon. JOHN M. SLACK, JR., a Representative from West Virginia, and excerpts from other speeches delivered at first anniversary dinner of the mayor's commission on human relations, Charleston, W. Va., April 26, 1960.

By Mr. JACKSON:

Remarks by Senator RANDOLPH delivered at a dinner meeting of the mayor's commission on human relations, Charleston, W. Va., April 26, 1960.

By Mr. HENNINGS:

Press release by Senator HENNINGS entitled "The Needs of the Elderly," dated February 24, 1960; editorial comment on press release published in the Charleston Enterprise-Courier of Charleston, Mo., under date of February 25, 1960; reply to editorial by Senator HENNINGS under date of March 17, 1960; and letter by the editor of the Charleston Enterprise-Courier in reply to letter of Senator HENNINGS.

By Mr. McNAMARA:

Testimony given by Representative FORAND before the Senate Subcommittee on Problems of the Aged and Aging.

By Mr. KENNEDY:

Article entitled "The Student Loyalty Oath," written by Senator McCARTHY, published in the Commonwealth of April 22, 1960.

## INVEST-IN-AMERICA WEEK—THE NATION'S SIXTH ANNUAL CELEBRATION

Mr. WILEY. Mr. President, in the days and years ahead of us, our Nation faces a challenge, as never before, to its top-ranking position as the greatest productive country in the world. According to recent statistics, industrial growth in our most formidable competitor, the Soviet Union, is increasing at the approximate rate of from 9 to 10 percent per year, while that in the United States amounts to only about 4½ percent. And, although a recent economic analysis reports that our gross national product is over twice that of the U.S.S.R., Communist leaders have claimed that by 1965 the Socialist camp will produce over one-half of the total world industrial output. In addition, although I believe this to be greatly exaggerated, they have promised their

people that by 1970 they will have the world's highest standard of living. Today, our free enterprise system, together with our political institutions, philosophy, indeed, our very way of life, is in a battle for survival with communism.

However, we feel confident that our American system of free enterprise will emerge triumphant in this battle of ideologies. In a more optimistic spirit of retrospect, we look back over the past decade and discover that the year 1959 marks the end of an era of remarkable economic progress in many free lands, and one in which America's form of democratic capitalism has played an increasingly important, worldwide role. For example, in the field of corporate investment, individual shareowners in publicly owned companies, since 1952, have increased by 6 million, to 12½ million, as of early last year. In the 1950's, share volume was greater than in any previous decade. Significantly, these shareowners in America's future represent a broad cross section of the public; and, during 1959 alone, they have received over \$464 million in distributed income dividends.

Mr. President, we recognize that the voluntary accumulation of savings and the investment of those savings either by individuals or through financial institutions, form the heart of our free enterprise system. We know that it is only through savings that the growth and development of our economy can take place. And we know, too, that it is the increasing investment of these savings which makes us more productive, provides more jobs and paychecks, and raises the standard of living for all of our people. Whether we own a business or work in an office, a factory, in agriculture, or in a profession, investments, of one form or another, make possible our work, our homes, and the industries and utilities which serve us.

The current week—April 24 through 30—is being observed all over the United States as the sixth annual Invest-in-America Week. Celebrated this year in over 200 communities throughout the country, Invest-in-America Week is being supported on local and national levels by newspapers, trade and financial publications, radio, and television. Emphasizing the importance of thrift and savings to our Nation's continuing growth, its purposes and objectives are admirably summed up in the statement of belief, as prepared by the National Invest-in-America Committee, Inc., the parent group and headquarters, located in Philadelphia:

We believe as a basic principle that the American competitive enterprise system, which has provided all our people with the highest standards of living in the world, is based on continuing investment of savings in all forms.

We believe that investment of savings can provide: For the people—personal security and increased income for education, retirement and better living; for industry—plants, tools and jobs to provide better products for more people; and for Government—the means of production to keep America strong.

We believe that only through broad public understanding of those facts, as well as of factors that hamper or discourage savings, can the United States achieve these broad national economic goals: (1) Full employment



of its labor force; (2) vigorous but sustainable economic growth, accompanied by monetary stability; (3) stability of the general price level; (4) preservation of economic and political freedom.

We believe that these goals are vitally interdependent and must be pursued as a whole, if 56 million American families and their children are to be able to enjoy continued economic security, opportunities for better living and economic, religious and political freedom.

We believe that when the American people know and understand, as a result of educational efforts, the underlying factors that make possible vigorous economic growth and full employment opportunities for all who wish to work, they will be able to recognize financial and economic trends that are not to their best interest, thus enabling them to discharge their responsibilities as American citizens.

I have been particularly gratified that my own State of Wisconsin has been very active in past years' observances, and I have been pleased to learn that this year eight of our largest communities will take part—Milwaukee, Madison, Oshkosh, Janesville, Stevens Point, Fond du Lac, Sheboygan, and Grantsburg. Headed by Mr. Roth S. Schleck, the very able Wisconsin State chairman of Invest-in-America, and the vice president of the First Wisconsin National Bank in Milwaukee, some of the State's most distinguished individuals are helping to bring the Invest-in-America message to the public. Mr. Schleck reports in a recent letter that—

The importance of the Invest-in-America effort daily is gaining greater recognition and enthusiastic support in Wisconsin. We expect this year's observance of Invest-in-America Week to be the most extensive to date and that it will provide a springboard for year-round activities in various parts of the State.

In another letter, Mr. Schleck kindly informs me of the activities of the State committee, and lists the individuals who are heading the observance in Wisconsin communities.

The outstanding activities of Invest-in-America have been recognized in past years' observances by the President of the United States, in congratulatory messages to the national and local Invest-in-America Committees. This year, President Eisenhower, in a telegram to the distinguished chairman of 1960 Invest-in-America Week, Mr. Gardiner Symonds, stated:

It is a pleasure to join in the observance of National Invest-in-America Week. For the healthy economic growth of our Nation we put major reliance upon the thrift, foresight, and sound investment of individual citizens engaged in private enterprise. In the years ahead, a growing America will require even greater savings and investment by our people to provide needed capital, tools, jobs and defensive strength. We must use our present resources to insure our children's future through investment in homes, insurance and sound securities. Investment in America is an investment in the world's best hope for freedom, justice and broad economic progress.

DWIGHT D. EISENHOWER.

For the past several years, it has been my pleasure to be host at receptions and kickoff luncheons here at the Capitol—celebrating observances of Invest-in-America Week and honoring officers and

members of the national and Metropolitan Washington area invest-in-America committees. At last year's luncheon in the Old Supreme Court Chamber, here at the Capitol, many of my colleagues in the Senate and House of Representatives were present, as well as leaders of the executive agencies of the Government, and local business and civic leaders. Initiating the fifth annual observance of national invest-in-America activities, its purpose was to dramatize the principles of this constructive program and to stimulate interest in year-round activities. Publicly joining in its endorsement were Mr. Norman Mason, Administrator of the Housing and Home Finance Agency; Mr. Wendell Barnes, Administrator of the Small Business Administration; and Mr. Andrew D. Orrick, Senior Commissioner of the Securities and Exchange Commission.

Mr. President, the invest-in-America program has ably demonstrated that it is a solid-growth enterprise. In slightly more than a decade, the organization—which originally was inspired by an editorial in the *Investment Dealers' Digest*, in 1949—has taken root, and has grown steadily to the point where over 200 communities in our United States, including the latest addition to our family of States—Hawaii, now participate in these activities. Recognizing that the encouragement of more people to invest their incomes and savings in American enterprise is fundamental to our economic progress, and believing that there is a need for even greater public awareness of this important fact, during the last session I introduced in the Senate a joint resolution which would authorize and request the President of the United States to proclaim the current week of April 24 through 30, 1960, as National Invest-in-America Week throughout the United States of America. As stated in a subsequent letter directed to my colleague, the distinguished chairman of the Subcommittee on Federal Charters, Holidays, and Celebrations, of the Senate Committee on the Judiciary, the Senator from Wyoming [Mr. O'MAHONEY], I believe that by the proclamation and observance of a National Invest-in-America Week, such as I have proposed, Americans can reaffirm their belief in the power of work, savings, and investments to create new business and better job opportunities for all our citizens.

Unfortunately, due to several unavoidable circumstances, including the extensive consideration of civil right matters, the subcommittee was unable to report Senate Joint Resolution 143 in sufficient time for this year's observance. However, I intend to reintroduce this meritorious measure during the next session of the Congress; and it is my sincere wish that my colleagues will join with me in obtaining its enactment. It requests the President to call upon Americans to observe such a week in recognition of the great endeavor in which the American people are now engaged to preserve their economic, religious, and political freedoms on the bloodless economic battlefield of competition in a free enterprise society.

I send to the desk several items. The first is a fine statement entitled "What Invest-in-America Means," prepared by the New York City Invest-in-America Committee. The second is an excellent report by Dr. J. Whitney Bunting, consultant for the higher educational relations of the General Electric Co., and governor of the National Invest-in-America Committee. The article is entitled "Your Share in America's Prosperity"; and it tells how our national strength is closely tied to the progress of business, industry, and government; and that they, in turn, are dependent upon the savings of our citizens. The third item is the previously mentioned, very fine letter from the Wisconsin State chairman of invest-in-America, Mr. Roth S. Schleck. His letter describes the preparations for this year's observance. I ask unanimous consent that these items be printed at this point in the *RECORD*.

There being no objection, the statement, report, and letter were ordered to be printed in the *RECORD*, as follows:

#### WHAT INVEST-IN-AMERICA MEANS

(A statement by the New York City Invest-in-America Committee)

Savings and investments are essential to a strong America because they provide—

Job security and higher standards of living for 56 million families.

Capital for the plants and tools necessary for an expanding economy.

Strength for a free government. In the years ahead America will have to provide—

Seventeen billion dollars a year for a million new jobs a year. This is \$17,000 in new capital investment for each job.

Forty billion dollars a year to maintain plants and machines to sustain the 70 million present jobs.

Where will this money come from? From the collective savings and investments of millions of Americans.

From the retained earnings of corporations.

Therefore, every American owes it to himself to become an investor in America through savings of his own choice in Government securities, savings accounts, insurance, homes, and corporate stocks and bonds.

The strength of a growing America is in the personal freedom to work, save, and invest. Money at work means men at work.

Invest-in-America for security and income. Money at work means men at work.

#### YOUR SHARE IN AMERICA'S PROSPERITY

##### YOU AND OUR NATION'S BUSINESS

Many people in this country fail to recognize their stake in the welfare and development of American business. In fact, there are many of our friends who may not recognize that they are really owners of capital and various types of business enterprise. Because this is true, this small booklet is designed to show you that you not only are a capitalist but that your interest and action is needed to keep our system strong.

The competitive enterprise system has strong roots in the United States. It has enabled this Nation to achieve a standard of living not equalled under any other economic order in the world today. However, like others it must be constantly nourished through the active participation of those who receive its benefits. Whether you are a person of great wealth or an income earner in modest circumstances, your interest is necessary. You will see, as you read this message, that many of our most active citizens are those with annual incomes of less

than \$7,500. Let us examine your position in the business world and what it means to you.

#### OUR BUSINESS SYSTEM

Our business system often described as a "competitive enterprise" system. This means that the basic regulating force of our economic life is the needs and desires of the individual citizen unless they conflict in some way with the interest of the general public. Competitive enterprise has many real advantages to the people of America for it assures us of the right to obtain and hold property, live wherever we please, buy and sell what we choose, select our own means of earning a living, and many others.

Our only limitations under competitive enterprise are when our actions are against public policy (such as failure to respect the rights of others) and our own personal shortcomings that may limit our ability to perform certain tasks as well as other people. Moreover, through ingenuity and hard work, it is possible to rise from one social level to another—our history is filled with true stories of such progress. The important thing to remember is that although we are free to progress, we cannot advance without personal effort or enterprise.

Through competitive enterprise, the American worker lives better at less cost in labor than the citizens of all other nations. We often measure the costs of different products that we buy, not in terms of money, but in terms of work hours. In this way, we can compare the actual cost of buying a suit of clothes or a loaf of bread. It can be proved that a man's suit of clothes requires 24 hours of work to an average American workman, while the Russian worker must work for 376 hours to get enough income to buy the same product. In America it requires approximately half as much work time to earn a loaf of bread as it does in Russia. And so it goes for every product or service we need or use.

With only 7 percent of the world's population, Americans have 33 percent of the world's assets. In this respect, we can claim 53 percent of world's radios and televisions sets, 29 percent of world's railway mileage, 50 percent of world's highways, 57.5 percent of world's telephones, and 70 percent of world's automobiles.

Much of our success in production can be traced to our use of fine tools and efficient machines. These, of course, can only be acquired through the savings and investments of all Americans.

#### BENJAMIN FRANKLIN—PATRON OF SOUND SAVINGS

"A penny saved is a penny earned" is one of the best known statements of Benjamin Franklin, but even Franklin knew there was more to financial success than mere saving. He pursued a personal program of investing in business and country that made him an outstanding example for Americans of today. For example, another of his famous statements that is truly a valuable guidepost for all Americans today was "money begets money and its offspring begets more." The principle that money clearly can go to work for its owner was definitely established.

A practical example of what Benjamin Franklin meant when he said that "money begets money" is well illustrated by one of his personal actions. Always proud of his early years spent in Boston, he left the sum of \$5,000 to the city in 1791 with instructions that it be allowed to accumulate at interest for 100 years. His directions were followed and in 1891, 100 years later, the fund had grown to approximately \$400,000. The idea was so sound that of this amount, \$300,000 was reinvested in a second century fund, and today, only 69 years later, the fund is in excess of \$1 million. This is real financial growth demonstrated in practical fashion.

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Benjamin Franklin was neither the first nor the only great historical figure that believed in the value of saving and investing. From important men of early recorded history to the men and women of today, the successful have practiced both thrift and wise investment. Abraham Lincoln expressed his beliefs in this fashion: "The prudent, penniless beginner in the world labors for wages awhile, saves a surplus with which to buy land or tools for himself, and at length hires another new beginner to help him. This is the just and generous and prosperous system which opens the way to all—gives hope to all and consequent energy and progress and improvement of conditions to all."

And, in more recent days, Ralph J. Cordiner, chairman of the board of the General Electric Co., as he addressed the 1958 annual stockholders meeting said in part: "In a free economy, economic growth is paced and directed by the decisions of millions of businessmen, consumers, investors, employees—indeed by every citizen. The faith of the free society is that these millions of points of initiative will produce swifter progress, with greater liberty, than any system of centralized control."

"Thus, a business recession is really a test of the people of the United States and their form of society. Their decisions—to buy, to invest, to work more purposefully, to raise their levels of living—these decisions will determine the speed of economic advance. They will also decide whether Russia will, as she has announced, surpass us in the coming years."

#### WHAT ABOUT THIS WORD "CAPITALIST"?

Some people in other lands would have you believe that there is something wrong in being a capitalist. The Russians would say that capitalism is a bad system of doing business. However, this is untrue because all economic systems use capital. Capital in reality refers to the tools and machines that men use in production. In Russia, as in the United States, capital is used in large quantities in industrial production.

The main difference between the two ideas is who owns the capital? In Russia, all capital is owned by the Government and can legally be used only to produce those goods that the Government desires. In the United States, on the other hand, capital is owned by millions of free investors who can put this capital to work producing those goods that the public needs and wants. The desires of the people are expressed by their willingness to buy the finished goods at a fair price at the marketplace.

In America, almost everyone is a capitalist because he shares in the ownership of business and industry.

#### PEOPLE'S CAPITALISM

In order to better describe the economic system under which we live, the phrase "people's capitalism" has been developed. You will see it more and more in the newspapers, in advertising and as part of daily conversation. It denotes merely the type of capitalism that this Nation has found to be most successful for all concerned. This is a system where all citizens have a right and privilege to own a share in business and industry.

#### HOW YOU BECOME A CAPITALIST

In a competitive economic society such as ours, a person receives value or money for what he produces. A definite contribution of effort, or money, or time, or material must be made in order to receive a reward from society. When a man does not spend all of the money or income he has received for his services, he is said to have saved. In our society he has the right to hold this saving in any manner he desires or he can put it to work through investment. If he invests a wide variety of ways, or if he should use normal banking facilities for safekeeping, he

becomes a capitalist, for by investing in something he owns something.

#### MONEY AT WORK MEANS MEN AT WORK

It is not a well-known fact that a heavy investment of capital is required in order to make a job. There are few employment opportunities in business and industry today where the employee can provide his own tools and equipment. As industry becomes larger and more complex, the problem of job-making becomes more costly and more difficult. Someone must invest so that industry can afford to employ the worker. Thus, when a saver invests his excess funds in a business, that money can be used to employ additional workers and make more jobs.

The chart adjoining shows the average need for capital funds for one worker in different industries in 1956. Costs today would be substantially higher because of the greater complexity of 1959 production. Unless the American people are willing to put their money to work, there will be insufficient job opportunities for the Nation's expanding population. It will then be difficult to have as many products and services to enjoy as are now available.

#### WHAT IS INVESTING?

Investing refers to putting your money to work. If you buy stock in a corporation, place your savings in a bank, take out life insurance, or buy real estate, your money is productive because it is used by business, industry, or Government to develop production of products or services.

#### INVESTMENT OPPORTUNITIES

There are many opportunities for safe and sound investments, and it is not necessary to have a great amount of money to begin. For example, the following opportunities for investment are available to you in the small amounts listed.

Savings account, \$5 or less.

Postal savings, any amount.

U.S. savings bonds, \$18.75.

Real estate, varying amounts.

Savings and loan associations, any amount.

Life insurance, any amount.

Stocks, \$40 quarterly (through New York Stock Exchange program).

So, it is a question of the amount of money you have to invest as it is of the regularity with which you do it.

The ownership of corporate stock, for example, is no longer the privilege of the few. Men, women, and children, from every walk of life and from every section of the country, share ownership of the Nation's companies. More than 12,500,000 persons are stockholders in public corporations. An additional 1,500,000 own shares in private corporations. Each year, over 500,000 new persons become stockholders.

There are more women stockholders in publicly held companies than there are men, according to the New York Stock Exchange. Women shareowners make up 51.6 percent of the total in America. Moreover, there is a growing concentration of stockholders whose annual incomes are less than \$7,500. This indicates that many people believe that stocks are one key to a successful life.

#### CAN YOU SAVE AND NOT INVEST?

It is certainly possible to save and not invest, and some people follow this procedure. A reliable estimate shows that about \$10 billion is in the hands of "hoarders," that is, those persons who hold their money in safe deposit boxes or in their homes. This is not a good practice for several basic reasons. First, money wisely invested will bring in a return, such as interest or dividends, and thus will continually increase in amount. Money hoarded earns nothing, so in the end you have no more than you started with.

Second, in periods of inflationary conditions where prices of goods rise and the value of money declines, your hoarded money



has increasingly less value than it had when you earned it. Investment in securities such as corporate stocks tends to increase in value along with general prices. The purchasing power of your savings so invested should increase because under these conditions the value of this type of investment rises too.

Third, and even more important to your country, industry and government need to use all available funds for progress and growth. When you hoard, you are contributing nothing to your Nation's well-being, upon which your own prosperity entirely depends.

#### HOW MAY YOU INVEST?

You probably have many forms and types of investment already in existence although you may not realize it. The breadth of investment opportunity is measured largely in terms of the manner in which we save and put our money to work. A brief review of the extent of these savings, which increased an estimated \$23.3 billion in 1959, will show their importance.

#### Savings banks and time deposits in commercial banks

As of last yearend Americans had \$34.9 billion deposited in mutual savings banks. This figure has more than tripled since before World War II. In addition, savers have put \$65.4 billion in time deposits in commercial banks. This figure too has shown remarkable growth during the past 15-year period. Such deposits before World War II amounted to only \$16 billion.

The money deposited in these accounts is invested in business and industry by the banks, and thus creates capital for more and better production. As an indirect partner in the investment process, you are an investor.

#### Savings and loan associations

This form of saving mechanism is relatively new in our economy although it is an outgrowth of the building and loan association. An indication of its value lies in the fact that savings in these institutions have increased 12 times since before World War II. From an approximate figure of \$4.3 billion in 1940, savings and loan associations now hold \$54.6 billion of savings.

The accent on investment in these institutions is home ownership, but they also have widespread interests in business and other pursuits.

#### Government savings opportunities

An excellent opportunity to save and to make your money work for you is found in U.S. savings bonds. Americans have invested currently around \$48.2 billion in these bonds. During the war, and postwar years, such investments approached \$60 billion, but the end of hostilities removed some of the emotional urge associated with savings bonds. They still continue to attract many investors, however.

The outstanding obligations of State and local government units total about \$60 billion, 25 percent of which is now held by commercial banks. Such bonds are especially attractive to large investors, because they are free of Federal income taxes.

#### Insurance

Dollarwise, one of the most important savings and investment opportunities is found in the policy reserves of insurance companies including life, casualty, and fire. There are over 109 million life insurance policyholders alone in America today, and the combined assets of life insurance companies amount to approximately \$113.6 billion. This great mass of savings is channeled into a wide variety of business, industrial, and personal activities and constitutes a tremendous economic resource.

The average policyholder does not consider himself a "capitalist" when he pays his

insurance premium, but a large share of that premium is invested for safety and growth in American industry. Thus, as a capital owner, he becomes a capitalist.

#### Corporate stocks and bonds

Security investments are, of course, direct investments in business and industry. A share of stock represents a part ownership in the issuing corporation; a bond represents a loan to a corporation or governmental body—Federal, State, or local. In each case, the investor is in direct contact with the user of his savings.

As of the last yearend, the market value of stocks on the New York Stock Exchange approximated \$300 billion; on the American Stock Exchange \$26.5 billion. Many of these same issues as well as their own primary listings may be purchased and sold by the investing public on regional exchanges. Most commercial bank and insurance company stocks are traded over the counter, where active markets in government and corporate bonds are also maintained.

#### Investment trusts and pension funds

Two of the most rapidly growing depositories for the small investor's savings are investment trusts and pension funds. As of the yearend the assets of mutual funds and closed-end trusts exceeded \$17 billion. The assets of pension funds, growing at the rate of over \$4 billion annually, were in excess of \$33 billion. These savings are largely invested in stocks and bonds.

#### KNOW WHY YOU INVEST

When you plan to invest your savings and put your money to work, it is important that you know why you are investing. There are many good reasons for investing, but the following purposes should be considered in light of your personal circumstances.

**Safety:** Every investor believes that the investment he chooses is safe. That is one reason for putting savings into someone else's hands so that they may protect it. However, interest and dividends paid for the use of this money tend to indicate that there is some risk connected with investing. High dividend payments may reflect either a strong company that is earning well, or it may indicate a very weak company that is a poor risk.

**Growth:** Many investors, particularly the young, invest with the thought that their money values will grow over the years. With steady incomes now they can invest regularly in the hope that when the funds are needed, they will have increased in amount. So-called growth stocks often do not pay high dividends, but they are purchased in the hope that they will grow in value with the economy.

**Income:** Many investors, frequently those in the later years of their lives, prefer securities in quality industries with dividend payments higher than are made by the so-called growth enterprises. Subject to the cautions mentioned previously, it is possible to invest for good income purposes.

There are investments that can appeal to any person or purpose, and planned investing makes your money work for you and for the country's welfare.

#### DON'T GO IT ALONE

Investing is for everyone who is interested in his future yet it should not be done blindly. There are many avenues of indirect investment for the person who has no knowledge of the stock market or individual securities. By placing your money in savings banks, or savings and loan associations, or by purchasing life insurance, or by buying mutual funds, you get the advantages of good management of your money. Thus, you cut down on the dangers and risks of unwise investment.

If you enter the stock market, however, be sure to get the services of a reliable broker or investment banker. Get his ad-

vice and follow it. If you are investing in real estate be sure to deal only with reputable realtors. The greatest risk in investing is to buy blindly without proper knowledge or advice regarding the particular type of investment you are making. Investment plans and programs can be set up by experts to meet almost any purpose.

#### IN SUMMARY

The story we have tried to tell is that our national strength is closely tied to the progress of business, industry, and government, and they in turn are dependent on your savings. The American competitive enterprise system has been compared to a four-legged stool with the legs signifying management, labor, capital, and the consumer. Without even one of the legs, business would collapse. It is as simple as that.

President Dwight D. Eisenhower in citing the importance of National Invest-in-America Week in 1957, said: "As our people freely invest their savings in productive enterprise, our economy is strengthened through research and construction of new plant and equipment, through new jobs and raised living standards. Each bank account, each insurance policy, each bond or share of stock contributes capital to advance the security of the Nation and of each citizen."

Your share in America's prosperity is what you make it through regular savings and investment in America.

#### THE NATIONAL INVEST-IN-AMERICA COMMITTEE,

April 7, 1960.

SENATOR ALEXANDER WILEY,  
U.S. Senate,  
Washington, D.C.

DEAR SENATOR: Now that most of the contacts I planned to make before the 1960 Invest-in-America Week observance have been made, I would like to take this opportunity to inform you of the activities of the State committee here in Wisconsin.

At our last meeting it was decided that more extensive and varied representation should be sought and, as a result of presenting the principles of the organization to various people, we have, fortunately, been able to add the names of several new members to our list, namely:

Rev. Bernard W. Dempsey, head of the economics department in the College of Business Administration of Marquette University.

Harold F. Dickens, State director of the U.S. Treasury Department, Savings Bonds Division.

Allen Pfugrad, executive vice president of First Federal Savings and Loan Association.

We are in the process of contacting several public relations people who would be of considerable value to the committee, especially in the methods used in bringing the I-in-A message to the public.

On the local scene, here and in the various communities of Wisconsin, I have appointed the following chairmen:

Milwaukee: A. W. Drigot, treasurer, Basic Products Corp.

Janesville: Earl Best, secretary-treasurer, the Parker Pen Co. in Janesville, representing the Wisconsin Manufacturers Association.

Madison: J. C. Howdle, vice president and treasurer, National Guardian Life Insurance Co. in Madison.

Stevens Point: Robert Sueck, treasurer, Hardware Mutuals.

Fond du Lac: Andre J. Perry, president, First National Bank of Fond du Lac, representing the State chamber of commerce.

Also carrying out programs in their cities will be (we hope to add Eau Claire):

Grantsburg: Walter Jensen, president, First Bank of Grantsburg.

Sheboygan: John C. De Master, vice president, Citizens Bank of Sheboygan.

Oshkosh: Carl A. Biederman, president, Oshkosh National Bank.

The local members, most of whom were introduced to the I-in-A purpose rather late last year, will be able to conduct a little more expansive and concentrated effort this year with newspaper publicity, radio and TV spot announcements, and various posters and exhibits shown in a number of business and public places. With a new national chairman who, as you may no doubt know, is Gardiner Symonds of the Tennessee Gas Transmission Co., and new committees formed to review past performance, principles, and effects achieved and to enlarge the program into a year-round effort, I believe this year's observance will be one which will stimulate a great deal of interest and will increase in its scope in the future. We hope to accomplish this in 1960 and in the years to come.

I was pleased to read in the March 24 issue of your newsletter that you have again, as in the past, introduced a resolution in Congress which would authorize and request a Presidential proclamation of I-in-A-Week, April 24 through April 30. I wholeheartedly agree with your statement therein, that "America's form of democratic capitalism has played an increasingly important worldwide role." I assure you that we, on the Wisconsin committee, will do all we can to promote the I-in-A message as effectively as we can, and consider ourselves fortunate in having your assistance in the key position that you hold. With the decision, too, to make the effort a year-round activity, plans which will incorporate the I-in-A message whenever opportunities arise throughout the year, will intensify the effects we are trying to achieve—that of reaching more people, more often, until Invest-in-America becomes a slogan familiar to everyone as an integral part of their daily lives.

With kind regards, and much appreciation for your continued support, I am,

Sincerely yours,

ROTH S. SCHLECK,

Chairman, I-in-A Wisconsin Committee.

#### "WELL, WHAT ABOUT YOU?"—A TV PROGRAM ON VOTING

Mr. WILEY. Mr. President, in the 1960 presidential election year, the major challenges confronting the Nation include: First, crystallizing the national issues in the campaign; second, determining the capabilities of candidates for providing the Nation with leadership to meet these challenges, and third, getting out the vote, to assure maximum participation by citizens in our electoral process.

In a republic, each of us has a great responsibility.

As citizens, we face the task of making these evaluations, and then registering our conclusions at the ballot box.

Over the years, regrettably, there has been a deplorable absenteeism at the polls. This gross neglect of citizen duty has ranged from 24 percent, in 1904—the lowest ebb in history—to 63 percent in 1952. Even the high of 63 percent, we all recognize, is still far too low.

We realize, of course, that there are differing opinions as to just how to get greater voter participation in elections. The real challenge is educating the public on the need to become informed on the issues and candidates, and then on the value of exercising their voice at the ballot box—a right and privilege upon which the Republic was established.

Fortunately, there is becoming an ever wider awareness of the dangers of the widespread negligence about voting.

We realize, however, that awareness is not enough. Instead, constructive efforts must be undertaken to educate eligible voters in all walks of life on the significance of a voter's role in the Republic; the necessity of becoming familiar with the issues and the qualifications of candidates; the voting fundamentals, such as registration for primaries and general elections, ballot marking, operating voting machines, and other fundamentals of voting.

Symbolic of efforts to stimulate greater voter activity, the Ford Motor Co. recently sponsored a splendid television show, by Dore Schary, entitled, "Well, What About You?"

On the program, outstanding Americans, including Vice President Nixon, and other leaders in the political, cultural, legal, and other fields, expressed their views on the need for greater voter participation in elections.

The program conveyed inspirational and creative ideas on the need for getting out the vote. I ask unanimous consent that selected excerpts from the program be printed at this point in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

#### "WELL, WHAT ABOUT YOU?"

EDDIE ALBERT. Ladies and gentlemen, you, the citizens of the United States, elect to public office in your Nation or your State or your city, almost 800,000 officials. No, that's not a typographical error—800,000. In 1960, at national election time there will be 180 million people living in the United States. This means that one out of every 225 American citizens is elected to some kind of public office. This program tonight, presented by the Ford Motor Car Co., asks you frankly and simply to take your franchise seriously, to examine and to use your vote.

It is proper that the first appeal be made to you by the Vice President of the United States, RICHARD M. NIXON.

Vice President Nixon. There has probably never been an American who was not articulate concerning the obligations of citizens. One of these great statesmen expressed himself eloquently on the subject. He was Theodore Roosevelt. And this is something of what he had to say: "The first requisite of good citizenship is that the man shall do the homely, everyday, humdrum duties well. A man is not a good citizen, I do not care how lofty his thoughts are about citizenship in the abstract, if in the concrete, his actions do not bear them out; and it does not make much difference how high his aspirations for mankind at large may be, if he does not behave well in his own family, those aspirations do not bear visible fruit. He must be a good breadwinner, he must take care of his wife and his children, he must be a neighbor whom his neighbors can trust, he must act squarely in his business relations—he must do all these everyday, ordinary duties first, or he is not a good citizen. But he must do more. In this country of ours the average citizen must devote a good deal of thought and time to the affairs of the state as a whole or those affairs will go backward; and he must devote that thought and that time steadily and intelligently."

And to Theodore Roosevelt, I can only add that when the average citizen has devoted a good deal of thought and time to the affairs of the state, he must then vote in terms of basic principles and objectives. I know

that's what you plan to do and I urge you to do that on election day.

EDDIE. I mentioned before the fact that at election time this year, there will be 180 million residents of the United States and it is estimated that the amount of eligible voters will be 100 million. Mr. Joseph Welch has something to say about that.

WELCH. Well, as you see, we have here the symbols of the legendary country store; the cracker barrel, the pot-bellied stove, and the cane-backed rocker. We are told that in the olden days, our citizenry kept informed and discussed the issues and the candidates on a high level with native shrewdness and wisdom.

Well, like so many things we hear about the past, it makes nice telling. But it just ain't so.

Here are some interesting statistics about votes in presidential years. The facts are, we're doing better than we did years ago, but more than one out of three of every American voters is abdicating one of the most precious rights he has. Take a look. In 1900, only 29 percent of the voting population went to the polls. In 1904, when we reached probably the lowest point in national apathy, a little less than 24 percent exercised their rights. And as you see, the three following campaigns still remained under 30 percent. In 1920, better communication, perhaps stronger issues began to arouse the public and the percentages went up in successive campaigns from 41 percent and in 1932 up to 51 percent, and as you see, the highest percentage was in 1952 when slightly less than 63 percent of the voters declared for the men of their choice. But here in 1956 you see, there was a slight dip. They tell the story of the president of a small railroad who was visiting in New York and went to see President Dewey who was head of the largest railroad in the world. Mr. Dewey asked, "What can I do for you?" and the visiting head of the little railroad explained he was in to arrange for an exchange of courtesies. He would give Mr. Dewey a pass if Mr. Dewey would give him a pass over his road. Well, President Dewey thought about that for a moment and then said, "Well, where's your railroad?" The visitor said, "Wisconsin." Dewey then said, "I never heard of your railroad. How long is it?" The visitor answered proudly, "76 miles." President Dewey took a deep breath of irritation and said, "76 miles—you call that an exchange of courtesies—why, my railroad has tens of thousands of miles." Calmly the visitor looked at Mr. Dewey and said quietly, "Well, sir, your road may be a little longer, than mine, but it ain't any wider."

So please do remember that. You may live in a small town or a large city but nowhere, anywhere, is anyone's vote wider than yours. Neither is it any longer.

EDDIE ALBERT. We are privileged to hear now from the former Governor of Illinois, Adlai E. Stevenson.

Governor STEVENSON. On November 3, 1846, a great American writer, Walt Whitman, wrote an editorial for the Brooklyn Eagle. What he had to say then is still pertinent today and I am privileged to read it to you:

"Few people estimate the value and importance of a single vote." One vote sent Oliver Cromwell to the Long Parliament. Little thought the holder of that vote that his hand was to send Charles Stuart to the scaffold, and to convulse an empire with revolution. One vote elected Marcus Morton Governor of Massachusetts in 1841, out of an aggregate of 100,000. One vote filled the vacancies of the State senate in 1843, and again secured the election of Marcus Morton as Governor.

Four votes given to the fifth ward of the city of New York, made Thomas Jefferson President of the United States.



One vote repealed the tariff of 1842. Who can say that one vote can make no difference, and this his own is not the will whose expression shall finally turn the chance of the lot? One vote, like a drop of water, may be insignificant of itself and alone, but combined with myriads of others, may determine the destiny of a nation.

"Divide the thunder into single tones," says Schiller, "and it becomes a lullaby for children; but pour it forth in one quick peal and the royal sound shall shake the heavens."

Therefore, ladies and gentlemen, in the coming election, I urge you to "shake the heavens."

EDDIE ALBERT. Now, you are to hear from the Governor of the State of New York, Nelson Rockefeller.

Governor ROCKEFELLER. Two years ago, when I announced that I was going to run in the primaries for the Governor of the State of New York, people called me up and said, "Why are you going to get into politics? Politics is a dirty business."

Can you imagine in this country today people feeling that politics is a dirty business, when politics is the very lifeblood of democracy—the very essence of our way of life?

And if politics is a dirty business, then you had better get into politics and clean it up and see that we have the kind of political structure that you and I want. But politics is not a dirty business. It is your business and it is my business.

Too few people, I think, realize that free government, democratic government cannot rise higher than the vitality and integrity of our political parties. And, therefore, the caliber of men and women who are in those parties, the issues which are before those parties, the candidates who are running in the primaries, are your business, and it is tremendously important that you vote in the primaries for your party's candidates and your selection.

And it is equally important, if we want to meet the challenge that democracy is faced with today, the challenge of free men, if we want to preserve the forces of freedom at home and equal opportunity for all, it is up to you to vote in the elections, to understand the issues, to know which candidate in the various levels of government you feel can represent those forces which are our heritage.

So vote in the primaries and vote in the elections.

Thank you.

EDDIE ALBERT. We will now hear from the heads of the two major political parties in the United States. Mr. Paul Butler, chairman of the Democratic Party, and Senator THURSTON MORTON, chairman of the Republican Party. First, Mr. Butler.

PAUL BUTLER. I, too, am a great admirer of Theodore Roosevelt. And on the obligation of citizens to vote he had this to say: "It is not only your right to vote, but it is your duty—if you are indeed free men and American citizens. I want to see every man vote. I would rather have you come to the polls even if you voted against me than have you shirk your duty." And, later, speaking at the Harvard Union in 1907, Mr. Roosevelt said: "To take part in the work of government does not in the least mean of necessity to hold office. It means to take an intelligent, disinterested, and practical part in the everyday duties of the average citizen, of the citizen who is not a faddist or a doctrinaire, but who abhors corruption and dislikes inefficiency; who wishes to see decent government prevail at home, with genuine equality of opportunity for all men so far as it can be brought about; and who wishes, as far as foreign matters are concerned, to see this Nation treat all other nations, great and small, with respect, and if need be with generosity, and at the same time show herself able to pro-

tect herself by her own might from any wrong at the hands of any outside power." For Theodore Roosevelt believed that, "Unless democracy is based on the principle of service by everybody who claims the enjoyment of any right, it is not true democracy at all."

And because all of us know that true democracy is the great shining light of the future, I hope that next election day nothing will come between you and your vote.

EDDIE ALBERT. Now, Senator MORTON.

Senator MORTON. The publication American Druggist, in 1950, published these words of former President Herbert Hoover: "Successful representative government depends on the existence of two major political parties: One to carry the responsibility of government administration, the other to provide the fundamental checks and balances by opposing and ventilating the administrative actions. The two-party system also provides an anvil of debate in legislative halls where the merits and demerits of proposals can be hammered out." Benjamin Franklin once remarked: "By the collision of different sentiments, sparks of truth fly out and political light is obtained." When a debate is over and some conclusions reached by a majority on a public question, either in the legislative halls or at the ballot box, the Constitution still stands there with its checks and balances to protect the minority. We have no arbitrary government by the majority. And over all government and politics, there is a balance of power greater than all this machinery of procedures, whether elections, debates, or laws. That is, just plain morals. So a citizen has a complex duty. He ought to learn to express opinions and to make up his own mind pro and con on the principal public issues. He ought never to miss the ballot box. And when he casts his vote for somebody, he should weigh that somebody on scales or morals—which includes intellectual integrity."

EDDIE ALBERT. In voting, it is certainly vital that we know what a candidate stands for and against. And with the broad avenues of communication now available to us by newspaper, magazines, radio, and television, we are able to get accurate and full pictures of our future political campaigns and campaigners and make up our own minds on the evidence. \* \* \*

Our next distinguished guest is a U.S. Senator from Massachusetts, JOHN F. KENNEDY.

Senator KENNEDY. Certainly one of our great humorists was Mark Twain, and he said of the vote, that it was the only commodity that one can peddle without a license. But when he wasn't exercising his dry wit, he wrote: "In our country, it is always our first care to see that our people have the opportunity of voting for their choice of men to represent and govern them—we do not permit our great officials to appoint the little officials. We prefer to have so tremendous a power as that in our own hands. We hold it safest to elect our judges and everybody else." No party holds the privilege of dictating to me how I shall vote. If there is any valuable difference between a monarchist and an American, it lies in the theory that the American can decide for himself what is patriotic and what isn't. I claim that difference. "I am the only person," Mark Twain said, "in the 60 millions that is privileged to dictate my patriotism."

Edmund Burke, speaking 100 years before Mark Twain, once said that the only thing necessary for the triumph of evil is that good men do nothing. Ladies and gentlemen, on election day, take Mark Twain's advice, act and dictate your own patriotism.

EDDIE ALBERT. There is in the American character a desire to be the best. Some of our favorite expressions include, "Be the

fastest with the mostest," "the will to win." Our buildings are taller, our speedways wider and longer. We've never lost a war and our standard of living is higher than any other nation in the world. And yet in the exercise of our right to vote, we are not first—we are not even a bad second. In racetrack talk, we don't even show. Let me give you some figures that may surprise you. Italy, in recent elections, turned out 93.8 percent of its eligible voters. France, 89 percent. West Germany, 86 percent. Turkey, 87 percent. Denmark, 80 percent. England, almost 79 percent—and the best we've ever done is 62 percent. It's about time we closed up the gap.

On February 27, 1922, the Supreme Court declared by a unanimous declaration that the woman's suffrage 19th amendment was constitutional. Since that time, women have been active in the American political scene and with beneficial effect. Since they were the last to be granted suffrage, it is right that tonight they have the last word. I introduce to you Miss Marian Anderson, concert artist, former U.S. delegate to the United Nations, good will ambassador to the world on behalf of the United States of America.

MISS ANDERSON. I am going to read a short essay on liberty, which combines the words of many great Americans:

"Liberty is the one thing you can't have unless you give it to others and democracy means not I am as good as you are, but rather you are as good as I am. As it is true that eternal vigilance is the price of liberty, so it is true that those who expect to reap the blessings of freedom must, like all men, undergo the fatigues of supporting it and no man is worth his salt who is not ready at all times to risk his body, to risk his well-being, to risk his life, in a great cause. Liberty will not descend to the people, the people must raise themselves to liberty. It is a blessing that must be earned before it can be enjoyed. And our country has liberty without license, and authority without despotism.

"The sacred rights of mankind are not to be rummaged for among old parchments or rusty records. They are written as with a sunbeam in the whole volume of human destiny by the hand of divinity itself, and can never be erased or obscured by mortal power.

"Liberty lies in the hearts of men and women. When it dies there, no constitution, no law, no court can save it. The spirit of liberty is the spirit which seeks to understand the minds of other men and women. The spirit of liberty remembers that not even a sparrow falls to earth unheeded. The spirit of liberty is the spirit of Him who, near 2,000 years ago, taught mankind that lesson it has never learned, but has never quite forgotten: that there may be a kingdom where the least shall be heard and considered side by side with the greatest."

EDDIE ALBERT. Miss Anderson's essay included words from William Allen White, Theodore Parker, Thomas Paine, Theodore Roosevelt, Alexander Hamilton, Benjamin Franklin, Cardinal Gibbons, and Judge Learned Hand.

America has always believed in the individual, in his destiny and in his immortality. The individual has been the concern not only of the American statesmen, but the concern of the great American writers. No one has written more eloquently of this than the classic American poet, Walt Whitman, who, in his poem, "A Song of the Rolling Earth," had these words to say:

MARTIN GABEL—  
Whoever you are. Motion and reflection are especially for you,  
The divine ship sails the divine sea for you.  
Host—  
Whoever you are, you are he or she for whom the earth is solid and liquid,

You are he or she for whom the sun and moon hang in the sky,  
 For none more than you are the present and the past,  
 For none more than you is immortality.  
 Each man to himself and each woman to herself, is the word of the past and present, and the true word of immortality;  
 No one can acquire for another—not one, Not one can grow for another—not one.  
 The song is to the singer, and comes back most to him,  
 The teaching is to the teacher, and comes back most to him,  
 The murder is to the murderer, and comes back most to him,  
 The theft is to the thief, and comes back most to him,  
 The love is to the lover, and comes back most to him,  
 The gift is to the giver, and comes back most to him—it cannot fail,  
 The oration is to the orator, the acting is to the actor and actress, not to the audience,  
 And no man understands any greatness or goodness but his own, or the indication of his own.

#### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I wish to announce, for the information of the Senate, that we plan to make Calendar 1035, Senate bill 743, the pending business. We do not anticipate any lengthy debate in connection with it. That bill was introduced by the Senator from Pennsylvania [Mr. CLARK], on behalf of himself and other Senators; and it would amend the Federal Coal Mine Safety Act, in order to remove the exemption with respect to certain mines employing no more than 14 persons.

When we have completed our action on that bill, we shall proceed to the consideration of Calendar 1319, Senate bill 3058, introduced by the Senator from Arkansas [Mr. FULBRIGHT]. That bill would amend further the Mutual Security Act of 1954. Or we shall consider Calendar 1322, House bill 11510, the corresponding House bill, whichever may be satisfactory to the Senator from Arkansas [Mr. FULBRIGHT], the chairman of the Foreign Relations Committee.

#### AMENDMENT OF FEDERAL COAL MINE SAFETY ACT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1035, Senate bill 743.

The VICE PRESIDENT. The bill will be stated by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 743) to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment.

#### ERNIE PYLE MEMORIAL AWARD WINNER ESTABLISHES SCHOLARSHIP

Mr. MANSFIELD. Mr. President, earlier in the year I spoke to the Senate about the first woman to receive the Ernie Pyle Memorial Award for journalism and her outstanding work with the Spokesman-Review, in Spokane, Wash. Again I want to speak briefly of Mrs. Dorothy Rochon Powers' great contribution to the field of journalism.

Mrs. Powers has turned over her Ernie Pyle cash award of \$1,000 to the School of Journalism at Montana State University, to provide five \$200 scholarships in coming years to graduates of Anaconda High School, Anaconda, Mont., who wish to major in journalism at the university. The new university award will be known as the C. G. Rochon Scholarship in Journalism, in honor of Mrs. Powers' father, who died in 1944.

This scholarship is a very fine tribute to her alma maters, the University of Montana and the Anaconda school system. Dorothy Powers has a remarkable record in writing and news reporting, and she is to be highly commended for furthering the cause of bringing new and talented young people into the field of journalism.

Mr. President, I ask unanimous consent to have printed at the conclusion of my remarks in the CONGRESSIONAL RECORD a news story appearing in the April 21, 1960, issue of the Montana Standard.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### JOURNALISM SCHOLARSHIP IS ESTABLISHED BY EX-ANACONDA RESIDENT

MISSOULA.—A check for \$1,000 has been presented to the School of Journalism at Montana State University by Mrs. Dorothy Rochon Powers, Spokane newspaperwoman and a 1943 graduate of the school.

She asked that the money be used to provide five \$200 scholarships in coming years to graduates of Anaconda High School who wish to major in journalism at the university. Mrs. Powers also is a graduate of Anaconda High School.

The check, presented to Dean Nathan B. Blumberg of the school of journalism, is the one she received earlier this year when she won the national Ernie Pyle Memorial Award for her writing in the Spokesman-Review. She is the first woman to win the award.

#### HONORS FATHER

The new university award will be known as the C. G. Rochon Scholarship in Journalism, in honor of Mrs. Powers' father, who died in 1944. Mr. Rochon was clerk of school district No. 10 in Anaconda for several years and encouraged many high-school students to continue their education at the university.

The scholarship is to be awarded on the basis of high-school academic record, professional promise in journalism and financial need. It will be paid in three installments during the recipient's freshman year.

#### COMMITTEE DESIGNATED

Mrs. Powers asked that the winner be selected by a committee composed of the newspaper adviser and the principal of Anaconda High School and the editor or representative of the Anaconda Standard.

No more than one scholarship is to be awarded annually, Mrs. Powers said, and she

specified that the award need not be made every year if there is no qualified senior interested in preparing for a career in journalism.

Mrs. Powers said she hopes the first award will be made at the Anaconda High School commencement so that the recipient may enroll in the school of journalism next fall.

#### THE KOREAN SITUATION

Mr. MANSFIELD. Mr. President, President Syngman Rhee, by his resignation, has demonstrated his basic patriotism. Whatever his personal idiosyncrasies, he has been, in moments of crisis, broad enough to recognize that Korea's independence is the essential. It was this realization which drove him into exile many decades ago. It was this realization which prompted him to return at the end of World War II, and to stay on, through the difficult days of the Korean conflict. It was this realization which has prompted him to step down at the present time.

Syngman Rhee's resignation does not end the crisis in Korea; it merely provides an opportunity to end it, and it must be acted upon promptly and decisively. A situation of chaos curbed by martial law will not stand for very long in circumstances such as those which exist in Korea. The chief consequence of a failure to act promptly and decisively may well be a renewal of civil strife, and even international strife, and the end of the prospects for the unity in independence of Korea in this generation.

The first responsibility rests with the Korean people and their leaders—in education, in the professions, and in religion, no less than in politics and in the armed services. If ever there was a time when all the Korean people have needed to cleave together, that time is now. If ever there was a time when prompt action was needed in reorganizing and strengthening the processes of democratic and responsible government that time is now. If ever there was a time when Koreans ought to speak and act in an orderly fashion and with a new dedication to freedom and independence, that time is now. If ever there was a time for soul searching on the part of all those who have been involved in the affairs of the Republic of Korea since the truce of 1953, that time is now.

First. For the Koreans, the immediate need is to work out promptly what constitutional reforms may be necessary to prevent the abuse of power and to insure its responsible exercise. Then, the need is for free and secret elections without intimidation, in the villages no less than in the cities; and if United Nations assistance is essential to that end it should be forthcoming promptly.

Second. For the United Nations, as a whole, the need is to recognize that it has coasted with the Korean issue since 1953 and has contributed little, if anything, through sterile and repetitive debates on this issue year in any year out in the General Assembly, to a solution to the problems of Korea.

Third. For ourselves, the need is to ask ourselves what, if anything, our policies on Korea—direct or through our



leadership in the United Nations—and billions in aid to the South Korean Government have produced since the truce of 1953. Have these policies, this aid, built conditions conducive to a durable peace, or have they served merely as a holding action and one that is now, apparently, in danger of failing even to hold? The inadequacies of these policies, the misuse of this aid have long been apparent, but we need to ask ourselves why it has taken bloody street demonstrations and this grave crisis to bring us to the point of even acknowledging, in an official sense, that something was amiss.

First things must come first and, at this moment, every effort will be required to bring about minimum stability and responsible government through constitutional reform and honest elections in the Republic of Korea. The present white-hot concern should not stop there. I would hope that the new Korean leaders who may emerge, our own policymakers and aid administrators, and the United Nations will look ahead and develop an integrated and determined approach to the inner problems of the Republic of Korea. We need to free this joint effort from any tendencies to accommodate to and to abet political stagnation and corruption. This joint effort and, particularly, any further aid must be used to develop not only an apparently stable situation, as in the past, but a situation which is actually stable because it provides the benefits and hope of responsible progressive government to the Korean people, and hence is supported by them.

I would hope, finally, that all nations most intimately affected by developments in Korea, including the Soviet Union, Communist China, as well as ourselves and the other members of the United Nations forces in Korea, would also look ahead to the end that the entire Korean nation might be reconciled to unity in independence and in peace and, in time, freed of the presence of the forces or the pervasive influence of all outside countries.

#### NATIONAL DEFENSE—ADDRESS BY SECRETARY OF DEFENSE THOMAS S. GATES, JR.

Mr. DIRKSEN. Mr. President, on Monday, April 25, 1960, the Secretary of Defense, Thomas S. Gates, Jr., addressed the annual meeting of the Associated Press in New York City.

Secretary Gates' remarks were readily recognized as constituting one of the most important public pronouncements on national defense matters in recent years. The speech received extensive news coverage, and its significance was further underlined by the fact that it was reprinted in its entirety in the New York Times and publications of the Copley Press.

In reading this speech by Secretary Gates, I am impressed by its objectivity and broad-gaged thinking. At a time when attempts have been made—and I am glad to observe that such attempts have been largely unsuccessful—to make political capital out of national defense matters, it is reassuring, but not sur-

prising, that the Secretary of Defense discussed these critical issues with the restraint and dignity that we have come to recognize and admire in the attitude and character of Tom Gates.

The initial portion of this speech contains one of the most mature and penetrating analysis of the nature of the Communist threat that it has been my privilege to read. This analysis places the Communist methods, objectives, and doctrine in proper historical and strategic perspective, and in so doing, Secretary Gates underlines the imperative need for maintaining a defense program that achieves the indispensable balance between combat forces in being, on one hand, and energetic, intelligent, farsighted research and developmental programs on the other. Furthermore, he emphasizes the often inescapable necessity of canceling expensive programs that have been overtaken by events in order to cross the threshold into new methods and weaponry.

There is much reassurance in Secretary Gates' comments on the existence of responsible differences of opinions with respect to military policy, and in his recognition of the value and the necessity for such differences of opinion. At a time when some critics of our Defense Establishment urge that all the military be forced to speak as a perfect chorus, it is good to note the common-sense approach of the Secretary of Defense in refusing to seek unanimity for the sake of unanimity, thus rejecting proposals aimed at throttling sincere, able, and wise opinion on national defense. Such views are in accord with Secretary Gates' strong statement in this speech in support of the Joint Chiefs of Staff system. Such pointed support of this uniquely American device for military planning at the seat of Government is well timed. It is a persuasive and welcome rejection of proposals to destroy the war-proven Joint Chiefs of Staff system by such devices as separating the Joint Chiefs of Staff members from their positions as chiefs of military services.

Secretary Gates does not minimize or disparage the scientific achievements of the Soviet Union in the field of missilery. Yet he places the Soviet accomplishments in their proper relationship with respect to the U.S. position and power. Without equivocation, Secretary Gates makes the accurate and categorical statement that there is no deterrent gap. Also, our limited war forces are strong.

Secretary Gates, in a concise résumé of the great accomplishments our Nation has achieved since 1953—nuclear-powered submarines, the Polaris system, a great long-range jet-powered bomber force, Atlas, Jupiter, Thor, the placing of 20 satellites in orbit, our successful reactions at Lebanon, Quemoy—not only underlines the inherent wisdom, vigor, and strength of our national security policies, but also pointedly rebuts those critics who gratuitously label our Nation as a second-rate power.

Mr. President, because of the historic importance of this speech, I seek unanimous consent to enter it in the RECORD at this time, and I commend it to the attention of all Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF DEFENSE THOMAS S. GATES, JR., BEFORE THE ANNUAL MEETING OF THE ASSOCIATED PRESS, NEW YORK, N.Y., APRIL 25, 1960

Ladies and gentlemen, I greatly appreciate your invitation to participate with you in this meeting today. My associations with you and the many persons who compose the Associated Press have always been interesting and pleasant. Such differences of opinion as we may have had are symbolic of the character of our form of government. I would not want to see the day when our press could not take constructive issue with any government official on any subject.

In planning my statement to you, I thought it best to cover only by time in the Department of Defense. Much has happened since September 1953 when, somewhat by surprise to everyone including myself, I went to work in the Department of the Navy. There have been significant events and dates one does not forget. It is difficult to place these years in sequence. With your permission I will jump over and between them, and first I will begin with the most important date which happened to fall in about the middle of my Washington experience.

On October 5, 1957, the people of the United States were electrified. The Soviet Union had launched and placed in orbit a manmade satellite. Sputnik was born.

This event dramatized in sharp focus the seriousness of the Communist issue. The achievement proved technical competence, and gave tangible and even visual evidence to the competition between two powerful and deeply dedicated ways of life.

Many of us already knew about this. Thousands of words had been written and spoken. A war in Korea had cost us 135,000 casualties. We were spending large sums on defense. We had in being our largest peacetime military forces. We were certainly not unprepared.

Yet, strange as it may have seemed, the American people that day had a rude awakening. They had not understood the enormity of the basic Soviet threat, with all of its implications.

There came a healthy stirring from complacency, and a great worry. In some minds there was fear. Warnings had passed unnoticed. People acted as though it was the first time they had ever heard of the Soviet warmaking potential and Soviet competence. In confusion, they blamed everyone but themselves.

Around the world, the rising young nations stirred also. They began to think, to compare, and to wonder if this day ended hopes and dreams so long in the making.

New nations and old allies looked to the United States—for in the new age, only the United States could provide the leadership, the wealth, and the energy to foster and preserve freedom.

The United States reacted with self-criticism. Doubt and worry produced little that was constructive. A feeling of inferiority swept across the land, a feeling of being second rate began and persisted. No real sacrifices were offered. People were quick to blame, but life went on as usual. Big expense accounts, short working hours, long vacations, and the easy way remained. Men did not change the normal pattern or orient themselves more toward the business of government.

The role of the United States in its free world responsibility was having growing pains at a time we could ill afford them.

Certainly we should not have reacted with complacency, but we should not have gone with a sense of guilt into a process of tearing down our fundamental beliefs and institutions. This was the time to comprehend

fully our defenses and to realize that sound planning existed and anticipated much of the demonstrated Soviet capabilities. The pendulum swung too far.

This was a time for calm determination. Today is such a time, also, and every individual is involved. We must evaluate and believe in our own strengths. Greater knowledge, more work, and a true perspective will confirm our moral values and increase our will. We can ill afford to reward the preacher of the negative, to publicize and acclaim the listing of things that are wrong, with no word on how to improve them. The way of leadership is not to tear down, but to build.

Also, we must understand the Communists better. The U.S.S.R. has deep convictions and relentless programs to rule the world. There are no signs of change. Their system is well developed, composed of skilled, capable people. There is no timetable for their goals. They operate in terms of what Lenin and Stalin called an entire historical era. They can wait.

There is no overriding preference as to tactics or combination of tactics to permit accomplishment of goals. A slowing down here, or a temporary block there merely means a push somewhere else, in all fields—military, economic, psychological, and subversive.

Someday, far in the future, younger generations of Soviets may change the pattern and find new household gods. There is always this hope. However, much time and many events must intervene.

I have recently been to the borders that separate Germany from Czechoslovakia and Austria from Hungary. I wish all Americans could see these miles of Iron Curtain—the plowed road to reveal footprints, the electric and barbed wire fences, the land mines, and the interlocking series of steel watchtowers manned by the guards. I was told that back of this lie other miles of a policed area where special passes are required—a no man's land where no one moves except as authorized.

It is difficult to believe the world can live indefinitely with these series of Iron Curtains that stretch across Europe, Korea, and south Asia. The plowed strips and electric fences must disappear before new generations can build a new structure suitable to the dignity of man.

We must always treasure a faith for the future. Yet today we have an armed truce and an uneasy peace. The United States enters these years as a strong and great power with profound physical and moral integrity. We have firm and true partners. Together with these allies and friends, we testify to and guarantee a new free world.

The experiment in liberty that created this country has been proven. Its progress and growth may be under test, but its fundamental concepts are secure. These are concepts that have stimulated the imagination of all people.

New nations believe in these concepts and hope for the strength to bring them into fruition. New nations will reject the "fenced in" regime of the U.S.S.R.

This is a time to reexamine democracy and make it more sophisticated and adult. This is no time to question our ideals. No time to waver. There will be many probes and tests of our determination. We can bend with some storms and must work and negotiate in the give-and-take of our international position. But when great storms come and threaten our beliefs, then we must be prepared to stand, sacrifice, and fight if we must.

This way of life requires strong, ready military forces. These we have. We must and will insure these forces of continued modernization and power over the longer future.

National defense must always come first. Only from military strength can foreign policy operate. National defense must come first

in dollars, regardless of the level of our gross national product or the status of our annual income and expenditures.

Correct, exact national defense implies unattainable perfection. Proper defense involves sound and balanced judgment. No man or group of men can ever be completely sure the balance is perfect.

Constant change is normal. It takes courage to change, to cancel an expensive program that has been overtaken by events, to close an installation employing trusted competent people, or to abandon a proven military mission of the past in exchange for a better way. Sometimes it takes more courage to do this than to cross a new threshold.

Yet both must be done. This always makes for differences of opinion. Men wise in the ways of the military and of its administration do not deplore these differences. More often than otherwise differences of view are helpful, especially if they spring from experience and knowledge. They bring firmer analysis. Finally, there must be decision, and those who carry the burden of the responsibility must answer "yes" or "no," supervised and guided by the great check-and-balance system implicit in the Constitution of the United States.

We are aware of our responsibility. We know that the security and future of this country lie importantly in our hands. We know that all of our fellow citizens have a deep and lasting interest in what we do and how well we do it.

For these reasons it is wise that we live in a glass house and free debate concerning our affairs takes place in the Congress and in the press. We should acknowledge the significant contribution that experienced Members of Congress and expert analysts of our free press make toward the finalization of defense plans.

I would not recommend any change in this process. We might only hope and suggest that the arguments could become more constructive, based on fuller understanding and more researched knowledge, and that the burdens on a few key individuals and officers within the Department of Defense could be better shared.

The program of the Department of Defense is not created in isolation, but is a principal segment of our total strategy and total national policy. Today this strategy and policy include factors that are political, economic, and psychological, as well as military. A purely military peacetime decision is rare.

Inherent in this total policy is our reliance upon the collective security arrangements we have made worldwide. The military assistance program, which supports our share of these treaties and supplements the economic aid program administered by the Department of State, represents an integral, vital part of our total defense. Military assistance supports the forces of our allies. It means stability. It buys competence and will to resist aggression, and it complements our own forces and bases overseas.

We cannot count on substantive concessions by the Soviet Union. We will push our efforts for a just peace and a lessening of world tensions through controlled arms reduction. We recognize the U.S.S.R. as a formidable power and a tough competitor, a nation that has made great progress and will continue to grow.

We see no change in their objectives. Their efforts to make us believe otherwise are but tactics used for whatever temporary benefit or propaganda advantage is deemed valuable at the time.

We repeatedly analyze and war-game the relative military strength of the Soviet Union and the United States. These studies deny any impression that we have been overtaken militarily or that we are second best. Such an impression is not supported by the fact.

Under our present and planned defense, no rational leader of the Soviet Union could make a decision to attack the United States since such an attack would guarantee the destruction of his own country. This is our conclusion, and it is supported by all of the principal civilian, military, and scientific advisers to the President. We assert firmly that no gap exists in our deterrent posture.

The mission of the Department of Defense includes two categories of priority: First, we must be prepared to deter general war and retaliate effectively and conclusively if it should occur.

Second, we must be prepared for military actions of varying degrees and sizes anywhere in the world, and be able to contain quickly such action. We must put out the fire of limited war in situations that may range all the way from another Korea-sized conflict to one involving a small number of infantry or marines.

These obligations, combined with all the factors that are inherent in our national policy, call for balanced U.S. forces of great variety and dimension and demand difficult judgment and continuous decision.

The pace of scientific progress has been fast, and the military transition is great. Flexibility has become an essential element in our planning. Our programs must evolve and take shape independently of the time cycles of the annual budget, and regardless of fluctuations in the political temperature.

The Department of Defense is big and complex. Over the years there have been important improvements in its management. More can be made, but we can point to significant accomplishments. The Reorganization Act of 1958 represents the latest statutory change. It would be wise to let the impact of this act have its effect before another change is made. The greater centralization of command and authority implicit in this act, with the line of military command running through the Joint Chiefs of Staff to the unified commands, is functioning well. It will continue to prove more effective as time goes on. I strongly support the Joint Chiefs of Staff system, and believe we have found a formula that will improve its operation.

An important aspect of the 1958 act, which is also having beneficial effects, was the creation of the Office of Director of Defense Research and Engineering. This Office, now headed by Dr. Herbert York, supervises and assigns priority to research work which accounts for close to \$6 billion of our defense budget. Since most of our present effort in space is still in the research and development stage, the military portions of the Nation's space activity are also largely within the responsibilities of this Office.

The exploration of space and its relation to military uses has been greatly misunderstood. It is one thing to say that the United States has lagged in the ability to put large payloads into space, and quite another thing to say that the United States lags in its overall military programs.

Sputnik was a tremendous scientific feat. Its success, along with subsequent successful Soviet efforts in outer space, produced a psychological impact on all peoples that is of the utmost importance. These dramatic feats have been possible because the U.S.S.R. has developed high thrust engines which can boost large payloads into deep space.

Prior to 1954 the United States, and presumably the Soviets, were interested in developing an intercontinental missile. At that time, based on then existing heavy warheads, our scientists estimated we would need a rocket of truly prodigious power. The technical difficulties were so extreme that little interest was shown. Late in 1953, however, greatly improved thermonuclear weapon design made it possible to produce a warhead of relatively small size without



sacrifice of destructive power. It then became feasible to develop an ICBM using a rocket of some 360,000 pounds thrust—and the Atlas design was pushed forward on that basis.

Meanwhile, the Soviets apparently elected to go ahead with the development of an ICBM based on a larger booster. They did develop an engine which produced an estimated 600,000- to 800,000-pound thrust.

The decision regarding Atlas was a correct one militarily. The Atlas is a smaller missile, easier to handle, and less expensive. It will carry a large yield nuclear warhead to ranges fully adequate to reach all major targets. From this decision to stay with the smaller boosters has come our present ICBM program—Atlas, Titan, Minuteman, and Polaris.

Sticking with big engines, big missiles, and big warheads ironically gave the Soviet a byproduct of high-thrust rocket engines and thus space probes of importance for scientific and prestige purposes. We have no military requirement for such engines. We can develop our family of weapons and produce our presently required military satellites without them. In our judgment the present ICBM boosters, or perhaps updated versions of them, will suffice for any of our unmanned military satellite systems.

We should clearly separate space probes from military weapons such as ICBM's. Some day, undoubtedly, other military requirements may develop in space which will require big boosters and we, therefore, have great interest in seeing the United States develop such engines. But no informed person can downgrade U.S. military power because of sputnik or even a landing on the moon. Rather, we should take great pride in our accomplishments.

I came to the Pentagon in September of 1953. In the short span of one man's service, let us look at what has happened. In 1953 no ship afloat was powered by atomic energy. Today we have 9 nuclear submarines already in commission and 23 under construction or conversion. Under construction also is a nuclear-powered carrier, a nuclear-powered cruiser, and a nuclear-powered frigate. The *Nautilus* has cruised under the North Pole, followed by the *Skate*; the *Seawolf* has stayed under water for an unprecedented 60 days. The nuclear-powered submarine has revolutionized sea warfare and rightly caught the imagination of the world.

In 1953 the Polaris system was merely a dream. This year it becomes a reality, as 2 of these submarines, each capable of firing 16 atomic tipped missiles while submerged, join our active defense forces.

In 1953 an airplane which was expected for the first time to operate at speeds greater than the speed of sound was in the very early design stage. Today Mach 2 aircraft are part of our regular forces, and a Mach 3 plane is in our active research and development program.

In 1953 we were devoting our full energies to the development of airbreathing missiles such as the Snark and Navaho. The ballistic missile—Atlas—was a concept only. It was surrounded by doubters; its proponents asserted it could be operational by 1965. Today the first Atlases are in position on the Pacific coast, with an astonishing record of successful test firings, and a proved accuracy that has far exceeded the hopes of even a year ago. Meanwhile, the early airbreathing missiles have been developed, been produced, become operational, and then been superseded in the swift progress of technology.

In 1953 the intermediate range ballistic missiles, Jupiter and Thor, were not even contemplated. Today the Thor is in the hands of our allies in the United Kingdom,

and it was a Jupiter booster which in 1958 launched this Nation's first satellite into space.

Since that first launching, the United States has successfully put 20 satellites into orbit, compared with a total of six space vehicles for the Soviets. Today, as military or civilian projects, we have 11 still in space, including one which is pioneering weather forecasting through taking pictures of cloud covering, one that is contributing to new advances in navigation, and one that, from more than 5 million miles away, has been sending us information which has significantly expanded the sum total of human knowledge regarding outer space. The two Soviet objects now remaining in space are transmitting no messages.

The launching of a satellite, which 2 years ago made headlines throughout the world, does well today if it makes page one. Anti-aircraft and tactical missiles, air defense and offensive systems, come out of the drawing boards and into ships, planes, and installations, and are taken for granted.

These changes have occurred in less than 7 years—the time that used to be regarded as par for the course in the development of a fighter aircraft.

Meanwhile, with this impressive effort in research and engineering, our forces in being have demonstrated their ability to react quickly and effectively to situations that have arisen, such as those at Lebanon and Quemoy. We have been a strong force in keeping the peace.

Who says this is a backward, second-class military record? I say it is superb.

You of the press have great responsibilities in the field of maintaining our freedom and the concern and interest of all of our citizens. In publishing news of our relative strengths and weaknesses, I only urge you to portray the factual, overall picture, and to consider all aspects of the great mission with which we in Defense are charged. Only through an informed public can we insure that freedom in the long run will triumph.

I urge you to foster a better understanding of what faces us and of our preparation to meet the future. Take our minds away from straw men and false issues, and restore self confidence and faith. Bring to our people a realization that the interests of our country must come first, always. Make us forget and settle differences of lesser importance.

Such actions and leadership on your part will produce concrete, constructive ideas, restore a rebirth of values, and sharpen again the firmness, fitness, and fortitude which are our heritage from the day a shot was fired beside a small bridge in Concord, Mass.

It must be clear to you, as well as to all of our citizens, that as we approach the summit and meetings of great significance that will follow, we must be strong. This strength is real. It is not a facade. Confidence in it must exist on the part of all of our citizens.

#### THE FRANKING PRIVILEGE BY MEMBERS OF CONGRESS—POST OFFICE DEPARTMENT APPROPRIATIONS

Mr. ROBERTSON. Mr. President, in view of the apparent difficulty of some of our friends of the fourth estate in understanding the amendment offered last Monday by the Senator from Delaware [Mr. WILLIAMS] to the then pending Post Office appropriations bill, relating to what he termed the distribution of junk mail without addresses, the

chairman of the subcommittee which considered that appropriation desires to repeat what he distinctly said on last Monday concerning what was involved. At that time he said that the amendment of the Senator from Delaware was not necessary. He said that the Solicitor General of the Post Office Department had ruled that the mere repetition in the appropriation bill of the statutory authority for the use of franked mail by Members of the Congress did not in any way, shape, or form compel the Post Office Department to change its existing regulation which prohibited the distribution of franked mail that was unaddressed in cities and towns which had street delivery.

But when the amendment was offered, the chairman of the subcommittee had the clerk of the committee again call the Postmaster General on the telephone, and he received the reply that the Department's position had not changed; that the amendment offered by the Senator from Delaware was not needed; and that he had so informed the Senator from Delaware.

Mr. President, far be it for me to accuse any of our friends of the press of putting the Appropriations Committee in a false light, but the whole matter is fully set out on page 8619 of the CONGRESSIONAL RECORD of Monday, April 25, 1960. Yet not a word appeared in the press to the effect that the committee was informed by the Post Office Department that the language framed by the Department and put in the committee report was all that was necessary to protect the Department from what was only a request—not a law, but only a request—in the House report that the Postmaster General adopt a regulation with respect to the delivery of unaddressed mail.

In conclusion, after outlining very fully those reasons, the chairman of the subcommittee said that to begin with, the Senator from Virginia is willing to accept the amendment, but on a different theory from that which has been presented to the Senate. This is the language contained in the House report.

Then I went on to say that all this amendment did—and that is still the fact—was to put in conference what we had taken care of in the committee report, and now we have just one more issue to debate with the House conferees, because we had the matter fully covered in a way that could not be raised in conference, whereas the amendment, taking out language of the bill itself, must be argued in conference and must be insisted on by the Senate conferees. There is the possibility, of course, that the House conferees might not agree to take the language out. The conferees might go back for a separate vote in the House. This might require a separate vote in the Senate. After it is all done, we get back to where the committee was in the first instance.

Mr. President, I think the Record was perfectly clear on Monday on that issue. Naturally, I regret that no member of the press who was handling this mat-

ter saw fit to let the public know that they were not going to be gouged by a new method of free delivery through failure of the Senate committee to protect them and that their protection was not dependent upon the very able and alert Senator from Delaware and the amendment he offered.

I repeat, the public was fully protected in this matter. The amendment offered added nothing to the bill except the possibility of an additional fight in conference to sustain that particular amendment.

#### MINE SAFETY WILL SAVE LIVES

Mr. YOUNG of Ohio. Mr. President, Americans everywhere, and especially those in the coal mining regions of the Nation, were shocked at the reports of recent coal mine disasters. I express the hope that we in the Senate will pass the coal mine safety bill by unanimous vote.

Since 1865 Congress has recognized the hazardous nature of coal mining. Over the years we have seen the passage of legislation designed to remove the dangers. Despite this fact, mining still remains a hazardous occupation.

Major accidents and disasters can be prevented if there is strict adherence to safety standards. Recognizing this fact, Congress in 1952 enacted legislation providing for mine safety inspectors and the establishment of uniform safety standards.

However, in writing the Federal Coal Mine Safety Act, Congress exempted mines employing 14 men or less. These mines are usually referred to as title I mines.

Mr. President, I assert that a man's life is just as precious and deserving of protection whether he works in an underground mine employing 10 people or 20 people or 100 people.

There is no logic in applying mine safety rules to mines employing 15 or more persons and not applying those same rules to mines employing 14 or less. The life of the laborer in the larger mine is no more worthy of protection than the life of his fellow worker in the smaller one.

Mr. President, during the month of April alone, six coal miners were killed in two widely separated tragic accidents in title I mines. If safety rules that apply to larger mines had applied to those worked in by these six men, they might be alive today.

I have received a telegram on this subject sent to me by the outstanding president of the United Mine Workers of America, Thomas Kennedy. The message in this telegram is worthy of our serious consideration.

Mr. President, S. 743, introduced by the distinguished senior Senator from Pennsylvania [Mr. CLARK], will, if enacted, remedy this dangerous loophole in our mine safety laws. It is fair to the mine operators as well as to the mineworkers.

The Senate will today consider this needed proposed legislation. Its aim is to save lives.

Mr. President, if enacted into law, S. 743 will do just that. It will also quiet the fear in the heart of every wife and every child of a mineworker when he leaves for work in the morning. It will make life safer and happier for many Americans at no cost to the rest of us. I urge its speedy passage in both branches of the Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the telegram on this subject sent to me by the outstanding president of the United Mine Workers of America, Thomas Kennedy.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D.C., April 13, 1960.

HON. STEPHEN M. YOUNG,  
Washington, D.C.:

Six coal miners were killed in title I mines Saturday, April 9, three in Kentucky and three in Maryland. Had Congress passed S. 743 during the 1st session of the 86th Congress these coal miners could be alive today. S. 743 will shortly be considered by the Senate. I hope your vote will be for the protection and saving of human life.

THOMAS KENNEDY,  
President, United Mine Workers of America.

#### WHY BIG INDUSTRY IS GOING "SMALL TOWN"

Mr. MOSS. Mr. President, the extent to which industry is turning to America's small towns, and even to the countryside, for sites for new plants, is outlined in a special report carried in the U.S. News & World Report of December 21, 1959. Small communities out across the land should take heart, and take every practical step to strengthen the trend.

I ask unanimous consent that the report, entitled "Why Big Industry Is Going 'Small Town,'" be printed in the RECORD.

#### *An example of savings from new plants in small towns*

An office-equipment manufacturer in an eastern city, planning to expand, found that big savings could be made with a new plant. Four sites in small midwestern communities were considered. What comparisons showed about yearly operating costs:

	Present factory in the East	Site A, Midwest factory	Site B, Midwest factory	Site C, Midwest factory	Site D, Midwest factory
Labor	\$12,106,000	\$10,054,000	\$10,548,000	\$10,934,000	\$11,092,000
Overhead (including local taxes)	1,190,000	618,000	602,000	636,000	662,000
Freight costs	507,000	482,000	366,000	360,000	338,000
Utilities	204,000	248,000	214,000	236,000	246,000
Total	14,007,000	11,352,000	11,730,000	12,166,000	12,338,000
Estimated yearly savings at new plant		2,655,000	2,277,000	1,841,000	1,668,000
Savings as percent of costs at present factory		19	16.3	13.1	11.3

Source: Survey by Fantus Factory Locating Service.

That estimate comes from Leonard C. Yaseen, senior partner in the Fantus Factory Locating Service, which has found sites for more than 1,500 industrial plants. Says Mr. Yaseen:

"One of the most significant developments of the past decade has been the rise of small cities as the industrial centers of America. At the same time, the large, traditional man-

ufacturing cities of the United States have lost ground rapidly."

A Fantus study notes that such big centers as New York, Detroit, Providence, Pittsburgh, the Newark-Jersey City area of New Jersey, and the Albany-Schenectady-Troy area of New York State all have lost industry since 1950. At the same time, many small communities, particularly in the South, the

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the U.S. News & World Report]  
SPECIAL REPORT—WHY BIG INDUSTRY IS GOING "SMALL TOWN"

A new Government study highlights this important trend in U.S. industry: More and more companies are building plants away from the big cities. This signals more jobs, better income for people in small communities.

U.S. industry is turning more and more to small towns—and even the open countryside—as a place to build new plants.

As a result, job opportunities in many small communities across the country are on the increase.

In some rural areas, new industries are giving employment to people who used to make their living from farming. In other places, payrolls from the new plants are boosting retail trade and lifting the standard of living of local residents.

These points are borne out by an official study just completed by the Business and Defense Services Administration of the U.S. Department of Commerce. The study shows that cities and towns with populations of 50,000 or below now provide more than 25 percent of all the employment in the Nation's manufacturing industries.

There is no exact comparison with earlier periods, because this is the first such survey the Government has made. It is based on a special tabulation of statistics gathered from the census of manufacturing concerns, covering 1954.

#### A QUICKENING PACE

Commerce Department officials say that the rate of industry's movement to small towns and suburban areas has been increasing steadily in recent years. This trend is continuing, even though a majority of all U.S. industry still is concentrated in or near big cities.

Life insurance companies, research laboratories and data-processing centers are joining manufacturing firms in the trek to the country.

One plant-location specialist says that, since the end of World War II, more than 90 percent of all new factories have been built in communities of less than 50,000 population.



Midwest, and along the Pacific coast, have registered sharp gains in factory jobs.

#### SIGNS OF THE TREND

A check of business executives and industrial development authorities by U.S. News & World Report underlines the extent of industry's move toward the open spaces.

From William P. Rock of the Arkansas Industrial Development Commission comes this comment: "There's no question about the trend to smaller communities. In the past 4 years, we have located 400 new industries in Arkansas, and they are spread over every county in the State, including areas that are predominantly rural."

Kentucky reports that, out of 649 new plants built or planned in Kentucky in the period 1948 to 1959—at a cost of nearly \$2 billion—a total of 478, or 74 percent, were located in communities with less than 50,000 population.

That report comes from George W. Hubley, Jr., president of the Association of State Planning and Development Agencies and former Kentucky commissioner of economic development. "Many of Kentucky's new plants are in towns of less than 5,000," says Mr. Hubley, who recently was named director of industrial development for the State of Maryland. A striking example, he adds, is the \$10 million plant of General Tire & Rubber Co. now under construction in an open field on the outskirts of Mayfield, Ky., a city of 9,000.

B. R. Fuller, Jr., industrial development commissioner of Florida, says:

"Florida in 1957 started a new program to help our rural communities gain new industry. Naturally we don't expect to develop new payrolls overnight. But we are encouraged by the fact that, in the 49 rural counties in the program, the number of new manufacturing plants brought in during the first half of this year was double that of the first half of 1958, and the number of new jobs created was three times as high."

The biggest industrial development in Florida so far this year, Mr. Fuller notes, is a new \$13.5 million plant for corrugated paperboard in Port St. Joe, a community of about 6,000 people.

In Vermont, whose largest city, Burlington, has a population of only 35,000, strong efforts are being made to lure industry. W. E. Bermingham, managing director of the Vermont Industrial Development Commission, notes that national companies coming into Vermont or expanding operations there, have added 8 millions to annual payrolls in the State over the past 5 years, and have boosted total employment by 2,000 people.

"We think we have a competitive edge in attracting new plants, because our natural beauty and our recreational facilities make people want to live here, and to live in Vermont is to work hard," says Mr. Bermingham.

#### WHY THEY MOVE

There are several reasons why companies are seeking plant sites in the country or in small towns. The reasons vary from industry to industry and from company to company.

#### MANPOWER

Some companies find that the supply of labor is more abundant and more productive in less-industrialized areas, particularly in rural communities where farm mechanization has cut the number of jobs in agriculture.

Says an executive of a major chemical-processing company: "We try to put our new plants in small communities whenever we can. For one thing, we find the labor situation more stable than in larger cities. There is less trouble with strikes, mass picketing, with agitation of one sort or another. Then, too, we prefer to train our workers from scratch, and we have found the workers in

small communities most adaptable. They don't have bad habits to unlearn."

In many rural areas where new plants have been established, workers continue to do part-time farming when they're not working a plant shift. An executive of the Du Pont Co. notes that workers at its Orton plant at Camden, S.C., commute up to 50 miles to their jobs, then drive back home to put in a few hours on the land.

#### COSTS

The prospect of substantial savings in operating costs often lures a plant to a smaller community.

According to Mr. Yaseen, "More and more industries are finding that their costs—for labor, transportation, fringe benefits, plant overhead, and utilities—are often lower in smaller communities than in big cities."

The chart on page 87 shows you how the possibility of cutting production costs can influence the choice of a factory site. The figures are derived from an actual survey made by the Fantus organization for one of its clients, a manufacturer of office equipment with headquarters in an Eastern city.

This company, with an outmoded factory and inefficient plant layout, found it could have saved almost 10 percent in annual costs just by putting up a more efficient plant near its present location. But no space was available for expansion there, so the company decided to move to a less crowded area.

After checking many possibilities, the company narrowed its choices to communities in four Midwestern States, where annual savings of 12 percent to 19 percent could be made on costs of labor, freight, and overhead. These estimated savings did not include possible additional savings on State income taxes and unemployment-compensation costs.

#### ELBOW ROOM

Still another reason for moving to the open country is the availability of large plant sites with room for future expansion. F. S. Dickinson, Jr., president of Becton, Dickinson & Co., Rutherford, N.J., says the "priceless commodity of space" was what led his concern, a manufacturer of medical instruments, to pick a site at Columbus, Nebr. The company put up a plant on an industrial tract outside the city limits, where taxes are low and where there is plenty of room for future growth.

#### THE "GOOD LIFE"

Most companies nowadays look for plant sites where living conditions are pleasant. C. J. Lawson, Jr., director of manufacturing services for International Business Machines Corp., explains that IBM, in locating a plant, considers accessibility to markets, availability of manpower, and tax and utility rates.

"But beyond this," he says, "we are most concerned with the character of the community—its cultural, educational, and recreational facilities. We ask ourselves if it is an attractive place in which our employees would like to live and raise their families. In our evaluation of these factors, we have found generally that the smaller community provides the most advantages, both to the company and to the individual employee."

New high-speed turnpikes and expressways furnish an incentive for plants to locate in rural or semirural surroundings, where there is plenty of parking space for workers' cars and easy access to larger centers of population.

#### WHO MOVES, WHO DOESN'T

For communities that are interested in attracting new industries, the new study by the Commerce Department offers some tips. It lists 74 types of business that seem to prefer locating in smaller cities or towns. Included are companies making woolen

and worsted fabrics, seamless hosiery, wood furniture, men's and boys' underwear, paper and paperboard, packaged sea food, synthetic fibers, flat glass, home-laundry equipment, and concentrated milk.

Some other types of business seem to favor staying in the big cities, the study indicates. Included in this group are printing and publishing, rubber products, fabricated metals, instruments, machine tools, paints, photo equipment, fur goods, and many varieties of food processing.

Even so, there is evidence that smalltown locations are appealing increasingly to many business concerns. The prospect for the years ahead is that the Nation's rural areas will get a still larger number of business concerns of many kinds.

### COMMUNITY DEVELOPMENT GROUPS SLOW TO REPLY

Mr. MOSS. Mr. President, the Utah Committee on Industrial and Employment Planning is a statewide committee appointed by the Governor to establish and promote employment expansion through orderly industrial development. It is doing a splendid job.

In a recent copy of the Utah Industrial Development Newsletter, published by the committee, there is an excellent discussion of community shortcomings in meeting out-of-State inquiries about local sites for new industry. I ask unanimous consent that an excerpt from this discussion, entitled "Community Development Groups Slow To Reply," be printed in the Record.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

#### COMMUNITY DEVELOPMENT GROUPS SLOW TO REPLY

We feel quite certain that the following doesn't apply to any of our industrial development groups in Utah, but it is rather surprising to learn that across the Nation, "a substantial percentage of local groups do a miserable job of responding to industrial inquiries."

Editors of Industrial Development & Manufacturers Record, leading national publication in the field of industrial planning and expansion, made this charge in reporting on their experience referring requests for plant location information to community development organizations. A portion of their report follows:

"We on the staff of ID have long regarded ourselves as staunch defenders and advocates of local community development organizations. We point with pride to their progress and continually remind industry to use their services.

"But there are times when we are more than a little discouraged by some of the groups we are striving to support. In fact, their action—or lack of it—is beyond our understanding.

"Example type I: We have an inquiry from firm listing 20 communities of interest, asking for site proposal within 15 days. We wire communities, stressing urgency. Nine communities meet the deadline.

"Example type II: We refer an inquiry to a community, indicating firm wants specific preliminary data without revealing identity. Community group replies: 'We're sure we have what this firm wants—just tell them to come and see us.'

"We were amazed on one occasion to receive a letter from an industrialist asking our aid in contacting an advertiser—said he had written twice for site data, but still hadn't received an answer. Why, the reader asked, was this group spending its good money for advertising space?"

"While we've made no exhaustive survey and claim no mathematical accuracy, our guess is that a genuine site query going out to 100 community groups might produce results somewhat as follows:

"Fifteen would reply quickly with well-planned, tailored proposals.

"Forty would respond promptly with form letters and routine literature.

"Twenty would reply too slowly to receive most favorable consideration.

"Ten would fail to reply due to organizational confusion and buck passing.

"Five would send material doing their cause more harm than good.

"One explanation for such poor response is that many local groups get excited only when the query comes to them direct from the industrial prospect. They just don't exert themselves to respond to anonymous inquiries referred by railroads, State agencies, utilities, etc.

"This may be human nature, but it's not good business.

"Successful developers have learned that it pays to take advantage of every opportunity to present their case to interested parties. You never know where your next lead is going to originate."

### WATER POLLUTION CONTROL

Mr. MOSS. Mr. President, the Salt Lake Tribune on Monday, April 11, 1960, published another telling editorial on the problem of control of pollution of our streams. After the President vetoed the water pollution bill, the Salt Lake Tribune published several editorials on this subject, this one being entitled "Congress Should Try Again on Pollution." This is an excellent discussion of the point, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### CONGRESS SHOULD TRY AGAIN ON POLLUTION

The lower House of Congress has restored a \$25 million cut in the Federal aid program for sewage treatment works during the next fiscal year.

The administration budget provided only \$20 million as the Federal Government's share of the national pollution control program begun in 1956. Raising the amount back to the \$45 million level of the last 3 years, the Appropriations Committee declared: "The amount requested \* \* \* is completely unrealistic in view of the urgency of need and the growing hazard of water pollution. \* \* \* Nor does the argument that it is a local problem, and not a Federal responsibility, hold up under objective analysis.

"It is seldom that the locality which builds the waste treatment plant gains more than a small part of the advantages that result. It is other communities downstream and often even in a different State that really benefit."

If the Senate accepts the House figure the Federal grants will continue next year as in the past. Utah communities have been receiving \$592,275 annually under the program, with local funds paying 70 percent of the cost and the Federal Government 30 percent. If the recommended slash is carried out, programs in Utah would be cut back to \$236,910 next year.

The picture of national water pollution needs is emphasized in a report by the Public Health Service, drawn for the Senate Select Committee on National Resources. This report should jolt everyone into greater effort to abate industrial and human pollution.

Water use in the country is increasing with the rapid population growth. And within 20 years the residents of many areas will have to drink water that previously has been used again and again, the report warns.

This means that great improvements will have to be made in sewage and water purification techniques, in addition to more widespread treatment. Present methods do not remove many of the new types of chemicals—household detergents, insecticides, and industrial wastes.

The Public Health Service urges that highest priority be given scientific research dealing with this knotty problem.

It will cost \$9 billion to do what should be done to abate pollution in the Nation in the next 5 years, the report says. Twenty-nine hundred municipalities will have to build sewage-treatment plants and 2,730 others will have to enlarge or modernize theirs. More than 6,000 industrial factories will have to control their wastes.

Communities which fall to clean up their water supplies will find their futures adversely affected and their growth curtailed. For example, Kansas City is now feeling the pinch of punitive measures because its officials ignored Public Health Service and Missouri Pollution Board's orders to clean up.

Congress should try again to pass a workable water-pollution bill. The new bill should take into consideration the President's veto message suggestion that tighter measures be taken to halt pollution. This will call for more severe penalties.

Pollution and water supply problems often can be handled better on a watershed or river system.

Hence, Federal incentives should be provided for both local and regional sewage work, particularly where it is demonstrated that the cleanup program is required and the Government grants and other incentives are needed. Congress should review the wisdom of restricting the pollution grants to small communities. In many cases the middle-sized and large cities are the worst off financially, in tighter tax straitjackets and have equally severe sanitation problems.

### MASS TRANSPORTATION

Mr. WILLIAMS of New Jersey. Mr. President, last month when I introduced a bill, S. 3278, to help improve mass transportation services in metropolitan areas, I tried to stress the broad-scale national interest in this problem which far transcends the convenience of our railroad commuters, important as that may be.

I tried to point out that the existence of adequate, modern mass transportation facilities is vitally important from the standpoint of preserving the wealth- and revenue-producing capacity of our major metropolitan areas which may otherwise strangle from traffic congestion and land waste.

It is also important from the standpoint of protecting our country's huge investment in the Federal highway program, an investment that will inevitably soar to fantastic heights if we lose our present mass transit services.

And it is vitally important from the standpoint of insuring the free flow of freight in interstate commerce, which will be subject to the same costly delays in urban areas because of traffic paralysis.

This last point was recently substantiated by Stanley Berge, professor of transportation at Northwestern Univer-

sity, who wrote in the May issue of the Atlantic Monthly:

A fact too often overlooked in discussions of the metropolitan transportation problem is that efficient movement of freight within and across the urban area is just as important as efficient movement of passengers. Hence, any future planning for railroad commuter services and other passenger services should aim at maximum utilization of tracks, equipment, and other facilities by both freight and passenger trains.

In his article Mr. Berge discusses two advancements that would materially improve our rail transportation systems: the elimination of inefficient stub-end railroad terminal stations to be replaced by through stations and the development of a new railroad electrification program, which would cut investment and maintenance costs while improving efficiency and reliability.

These are the kinds of capital improvements that my bill is designed to assist, and I think there is no question that the sooner we start helping our State and local governments to make these kinds of investments, the more money we will save in the long run. This is the kind of prudent expenditure that is vitally needed and that can only be considered an asset on the ledgers of our Nation's strength and security.

Mr. President, I ask unanimous consent that this informative article by Mr. Berge be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Atlantic Monthly, May 1960]

#### HOW COMMUTERS CAN HAVE THEIR TRAINS

(By Stanley Berge)

(Commuter service on public transportation has become one of the most besetting problems of our time. For a constructive solution we have turned to Stanley Berge, professor of transportation at Northwestern University School of Business. Mr. Berge has made special field studies of the railroad situation in six of our large American cities and has made three trips to Europe to collect data bearing on the subject.)

The great cities of today owe much of their growth and present stature to the railroads which have served them for upward of a century. But as the cities outgrow their past and extend into the suburbs, people everywhere are asking in some anxiety whether there is any way the railroads can meet the new challenge.

The disorganized commuter railroads often give the impression that they do not even wish to participate in future metropolitan transportation. While the press publishes gushing predictions of big plans for motor transport and aviation, one looks in vain for a single enthusiastic, imaginative proposal for large-scale improvement in coordinated metropolitan railroad service. Instead of getting together and pooling their resources to develop a dramatic long-range plan, even the most strategic railroads serving our great cities seem to be going it alone. The newspapers continually report suburban fare increases, train curtailments, and complaints about subsidized competition and unfair taxes. Occasionally there is an encouraging announcement that an individual road has introduced new suburban coaches to replace decrepit old rattlers. But where is there any indication that the railroads, as a group, have any radical improve-



ments in mind for their metropolitan commuter services; their medium-distance intercity passenger services, where they still have a fighting chance; or their through metropolitan freight service, where the present pace of rail performance is almost a joke?

In fact, most railroad managements today are resigned to the idea that insofar as metropolitan transportation is concerned, they are a declining industry. All of their big plans, it seems, are geared to a concept that the future of the railroads is limited solely to the carriage of long-distance intercity bulk freight.

Whether they realize it or not, the strategic rail lines in our large cities possess locational and technical advantages not possessed by any other form of transport. If by some magic injection these despondent carriers were aroused, it could be demonstrated that big cities need coordinated railroads quite as much as coordinated highways and air and water transport.

A fact too often overlooked in discussions of the metropolitan transportation problem is that efficient movement of freight within and across the urban area is just as important as efficient movement of passengers. Hence, any future planning for railroad commuter services and other passenger services should aim at maximum utilization of tracks, equipment, and other facilities by both freight and passenger trains. Is this being done today? The answer is "No." Railroad executives and city planners are still struggling with proposals for commuter facilities and for rapid-transit extensions exclusively to take care of passenger traffic. It is not surprising that most of these plans are slow to get public acceptance. Their failure to obtain financial and general support is primarily the result of a fundamental fallacy in metropolitan transportation planning; namely, that because no more than 20 hours per week of use can be expected of commuter railroad and rapid-transit facilities and personnel, such facilities can never be made self-supporting and their operation will always incur a deficit. Since deficits must be carried either by taxpayers, in the case of transit lines, or by shippers and stockholders, in the case of commuter railroads, it is hardly to be expected that metropolitan transportation plans involving extensive deficit financing should be greeted with widespread enthusiasm. In our enterprise system, the public is apt to look askance at any industry, even in the public service, which openly declares that it cannot exist without direct public subsidies on a permanent basis.

Why is it that so many people think of the metropolitan transportation problem simply as a mass-transit problem? To be sure, mass transit by bus and rapid-transit lines is certainly a vital part of urban passenger transportation, but unfortunately it is not suitable for long-distance extensions, as metropolitan travel reaches out 50 miles or more from the central business district. Neither are mass-transit facilities and equipment particularly suited to the transport of mail, express, and freight, which must also be carried if metropolitan rail lines are to become self-supporting. Hence, rather than extend rapid-transit lines far out of the central cities into thin-density territory, why not avoid duplication, waste, and frustration by assigning responsibility for relatively long distance metropolitan transport of both passengers and freight to coordinated metropolitan railroad systems and turn over the closely spaced stops and high-density urban transport of passengers to the transit lines. The railroads would thus become a super rapid transit network which could be effectively coordinated with an inner network of urban transit services.

#### BREAKING THE RAILROAD BOTTLENECKS

One day there will be a great awakening in one of our large metropolitan cities. The

present bottleneck of stub-end railroad terminal stations will be broken, enabling trains to move freely through the central city, making stops at a series of convenient platform stations instead of forcing all passengers to enter and leave all trains at a single, congested, downtown location. The old-fashioned, inefficient, stub-end terminal stations in the hearts of most large cities are inherited from the 19th century. Further confusion results when cities are served by two or more stub-end stations which, in view of modern needs, are rather inconveniently located.

From the standpoint of the railroads, stub-end terminal stations are both inefficient and wasteful of space, equipment, and manpower. Through-station tracks can handle at least four times as many trains and passengers per hour as stub-end-station tracks. In Chicago, for instance, 45 multiple-unit trains can be operated by the electrified Illinois Central suburban line to and from its stub-end terminal station at Randolph Street in a single rush hour. Since the station contains six stub-end tracks, this means an average of approximately seven trains per track per hour. By way of comparison, the State Street subway line of the Chicago Transit Authority averages 30 trains per track during a single rush hour, and in addition offers the passenger a number of convenient platform station stops. In this case, the subway and the railroad both use self-propelled, electric, multiple-unit trains with double-end controls exclusively, yet there appears to be a fourfold gain in efficiency resulting from the through-station operation compared with the stub-end-station operation.

Moreover, the average efficiency of stub-end railroad terminals is still further impaired by the fact that most commuter railroads operate trains propelled by locomotives. Unless the double-end push-pull type of control is provided, it is necessary to engage in extensive—and expensive—switching operations in and out of the terminal station simply to put the locomotive at the head end of each train. Before its recent inauguration of push-pull suburban trains, the Chicago & North Western's entire 16-track stub-end station at Madison Street in Chicago could accommodate only 60 train movements during a single rush hour—no more than are handled in the same hour on just the 2 through tracks of the transit authority's State Street subway line.

The distance covered in backup and turnaround train movements is often considerable. The Chicago, Milwaukee, St. Paul & Pacific, for instance, using one end of the stub-end Chicago Union Station, is compelled to back passenger trains 3 miles to the Western Avenue coachyard, turn them around, and again back them 3 miles into the station. This procedure not only involves a great waste of track and station capacity but is equally wasteful of equipment and crewtime.

To sum up: Obsolete stub-end railway terminals must give way to efficient platform stations located on unified through-track systems, thus permitting effective coordination of metropolitan railway operations. In other words, it is high time that the principle of continuous flow should be applied in metropolitan railroad networks just as it has been applied in the development of expressways and rapid-transit lines. It is no more logical, for example, to stop all New York Central & New Haven passenger trains at a brick wall in Grand Central Terminal than it would be to stop all subway trains at a brick wall under Times Square, or to bottle up all motor vehicles using the Lincoln Tunnel in a giant downtown parking lot.

#### THROUGH TRAFFIC WITHOUT SUBSIDIES

The advantages of through stations on connected tracks are evident in the Pennsylvania Railroad's 30th Street and North Phila-

delphia stations in Philadelphia, as well as in the through-track arrangement of Penn Station in New York. Outside the United States, metropolitan Tokyo has one of the best arrangements of unified tracks and stations. Stations in the Netherlands are almost without exception of the through type. Stub-end stations in Brussels have recently been rebuilt as through stations by linking tracks in a crosstown tunnel. A tunnel has just been completed to link the rail lines in Madrid; and the French are studying a tunnel plan to link the principal rail lines and eliminate major stub-end stations in Paris. Not the least of the advantages of such continuous-flow railway networks is that they are useful for freight, mail, and express trains, as well as for commuter trains and intercity passenger trains. They are thus much more likely to achieve sufficient utilization to pay their way without the need for direct subsidies from the taxpayers.

Consider the New York-New Jersey-Connecticut metropolitan area. The New Jersey railroads, with the exception of the Pennsylvania, all terminate in stub-end stations west of the Hudson River. Even the Pennsylvania, whose two tunnels were completed in 1909, operates very few trains through and beyond Penn Station. As a result, its two tunnels get far less utilization than they could if a pattern of through metropolitan rail service were developed. The idea of operating trains from New Jersey through Manhattan east to Long Island and north to Connecticut is not a new one, but it is still a good one. Why should the Long Island Rail Road continue to struggle with the obvious inefficiency of dead-end terminal movements in the heart of Manhattan when its service could be made much better and less costly by swinging its trains under the Hudson and terminating their runs at various points on the New Jersey railroads? Consider, also, the advantages that would be gained by extending Grand Central tracks of the New York Central and New Haven through a tunnel connection with through rail operations between Long Island and New Jersey. Such a terminal unification project would finally consummate one of the major unrealized objectives of the Port of New York Authority's comprehensive plan of 1921.

In the Boston area, the sufferings of Suffolk County and the suburbs would be greatly reduced by breaking a tunnel through about a mile and a half of soft slate, putting Boston's North and South stations on the same through tracks. Such a bold stroke would not only break the city's ancient bottlenecks by transforming its two stub-end stations into through stations; it might be the welcome signal for finally getting New England's most important railroads—the New Haven and the Boston and Maine—to work as a winning team. Certainly each road has been finding solo operations a losing proposition.

In the Philadelphia-Camden metropolitan area, it has so far been apparently impossible for the railroads to shake hands across the Delaware River. Not only do the Pennsylvania suburban trains fail to reach the tracks of the Pennsylvania-Reading Seashore lines on the Jersey side of the river, but even on the Philadelphia side there is no coordinated use of tracks and stations by the Pennsylvania Railroad and the Reading Railroad. Each of these lines terminates its suburban runs in a separate stub-end station in downtown Philadelphia. A rail tunnel under Market Street and across the Delaware River would forego an effective through rail network for the City of Brotherly Love and its hinterland.

Chicago, the railroad center of the United States, suffers from its failure to unify tracks of railroads terminating in five obsolete stub-end stations. Chicago's terminal unification problem will never be solved until a coordinated unified-track system is devel-

oped with a series of conveniently located platform stations, so that both suburban and through trains can collect and discharge passengers at more than one station, and so that tracks and facilities can be used for mail, express, and freight trains, as well as passenger trains. Such a unified-rail system could be created on the east side of the central business district by constructing a 3-mile tunnel connecting the Illinois Central south of the Chicago River with the North Western north and west of the river. On the west side of the Loop, a good connection is needed between the North Western's tracks and the Union Station, making Union Station an efficient through station.

In the San Francisco Bay area, one wonders why the Southern Pacific's peninsula line northward from San Jose still gets no farther than the old stub-end station at Third and Townsend Streets, when, by tunneling under the relatively shallow waters of the bay to Oakland, it could become an effective through route for both freight and passenger traffic. Such a cross-bay tunnel would create an efficient San Francisco Bay belt line connecting San Francisco, Oakland, San Jose and the many rapidly growing intermediate communities on either side of the bay.

Even Los Angeles, city of the freeways, is criss-crossed by the rights-of-way of the Southern Pacific, Santa Fe, Union Pacific, and Pacific Electric railways. While the local passenger service of the Pacific Electric has been abandoned, the other railroads still operate through passenger trains into Los Angeles' Union Station (another stub-end facility), and freight service requires the maintenance of many miles of track in the Los Angeles area. Time is running out, but much might still be accomplished if the remaining strategic rail lines of this area were to decide to work as a coordinated metropolitan system.

#### RAILROAD ELECTRIFICATION

Couple a bolt of lightning to flanged wheels on through metropolitan systems of steel rails and you will have the key to the solution for the metropolitan transportation problem. The nearest thing to a lightning bolt coupled to a railroad is the economical new 25,000-volt a.c. system of railroad electrification, which is now rapidly spreading across Europe and Asia. The 25-kilovolt 50-cycle system, developed by the French National Railways since World War II, has been adopted by the British Transport Commission for an extensive electrification program in the British Isles. Soviet Russia has adopted it for a big new program of electrification. This system has been successfully employed on suburban lines both in Turkey and in Portugal, which is now extending the system northward from Lisbon to Oporto. In Asia, the new system has been adopted for major installations in India and in Communist China and will be utilized in extensions of electrified lines in Japan.

In France, a combination of technical leadership and aggressive promotional efforts has developed a new system which has cut the investment cost of railroad electrification in half while at the same time increasing its efficiency and reliability. By 1961, at least 70 percent of all traffic carried by the 26,000-mile nationalized railroad system will be moved electrically. Tremendous advancement in the speed, capacity, and stamina of conventional electrified railroads, has been scored by the French, while monorail promoters have been attempting to convince the world that the best way to get 100-mile-an-hour trains is to take them off two rails and suspend them from one. Yet, while no commercial monorail has yet been built to carry passengers even as fast as 50 miles an hour, the French have operated trains propelled by modern electric locomotives at 205 miles an hour over a stretch of conventional standard-

gage track near Bordeaux. Following these successful tests, the French stepped up the speed limit to 100 miles an hour on the Paris-Lyon portion of the famous Mistral run to the Riviera. The Mistral, fastest scheduled train in the world over a long run, now averages 80 miles an hour over the 318 miles between Paris and Lyon.

Rhythmic, trouble-free, high-speed operation 20 hours a day on the Paris-Lyon run has also brought to the French the world's locomotive stamina championship. This was achieved in 1955 by the Alsthom electric locomotive CC-7147, which covered a distance of 273,400 miles—more than equal to a trip to the moon—in seven months of regular runs averaging 1,272 miles daily. The locomotive was then given its first general overhaul. Not being satisfied with this record, the French National Railways has since decided on a policy of running a million kilometers—equal to a round trip to the moon—on the Paris-Lyon run before giving the electric locomotives a general overhaul.

Such record-shattering speed and trouble-free performance of modern electrified railroad service are in themselves staggering, but the most spectacular discovery was yet to be revealed. This was the first successful large-scale use of standard high-voltage alternating current for railroad electrification. Less than 10 years of postwar research and experimentation, largely conducted on a 50-mile line near Geneva, led French engineers to embark upon general application of the revolutionary 25-kilovolt 50-cycle single-phase system of rail electrification. The use of such high-voltage alternating current of standard frequency (50-cycle in Europe and 60-cycle in the United States) removes the principal obstacle to railroad electrification—the huge cost of initial installation.

Having built both 1,500-volt direct current lines and 25,000-volt 50-cycle alternating current lines at the same time and under similar conditions, the French were able to demonstrate a saving of approximately 50 percent in the construction cost of the AC system. First, the catenary wire and supporting poles required to feed 25,000-volt alternating current to electric locomotives or self-propelled trains are only about one-third as heavy as those required for the 1,500-volt direct current trolley wire. Second, the 25-kilovolt system does not require a parallel, high-tension transmission line along the right of way, since the trolley wire itself is the high-tension line. This eliminates the complication and cost of three wires and their supporting poles along the right of way—a vast saving in original investment and in maintenance expense. Third, costly substations along the right of way, required to change standard utility current into direct current, or some special low-frequency alternating current, are virtually eliminated. Thus, instead of requiring substations with transformers and rectifiers every 4 to 8 miles, the 25-kilovolt 50-cycle trolley wire needs to be fed only every 30 to 50 miles, where it is connected by transformer with the public-utility power grid.

For metropolitan railway operations, electrification must be regarded as the next important step to be taken after unification of tracks and stations. Under high-density traffic conditions, such as prevail in metropolitan service, electric trains are more efficient and economical than diesel-powered trains. In the long run, using the high-voltage AC system, fuel and maintenance costs will be less for electric than for diesel power. With more traffic concentrated on fewer tracks in a coordinated system, the time will be ripe for a new era of American railroad electrification. By that time, experiments now being made may have perfected a system of automatic train operation by remote control on electrified routes. Louis Armand, former president of the

French National Railways, told me in 1955 that automatic operation of electric trains would in the future be considered just as practical as automatic electric elevators are today. Just last year, installation of a new system of electronic safety devices permitted the Swiss Federal Railways to adopt universal one-man cab control on all trains.

#### GOOD TRANSPORT IS A DYNAMIC FORCE

Some railroad commuters have been willing to put up with 100 percent fare increases since World War II simply because they would rather pay the increased fares than drive to work. But this does not mean that they are happy with either the fares or the train service. As more and more people have been commuting by automobile, the commuter railroads have been losing passengers, even though commuter revenues are reaching record highs. Under present conditions the automobile gives most commuters faster, more comfortable, and more convenient transportation from door-to-door than public transportation by railroad or transit lines. Furthermore, for those commuters who have access to free or cheap parking at their places of business, the automobile is more economical than railroad commutation. Since the average American family possesses at least one automobile, the fixed costs of car ownership are incurred whether or not the vehicle is used for commutation. Hence, the commuter compares the out-of-pocket cost of driving and parking with the out-of-pocket cost of rail fares plus bus fares to and from the railway stations. Thus many commuters have decided that rail service is too slow, too inconvenient, too uncomfortable, or too expensive for door-to-door transport.

Fortunately, the railroads are not yet out of the race. As fares have been increased, new and comfortable equipment is appearing on some of the roads which seem to believe that their commuter service has a future. How can this change of heart be organized into a vigorous long-range program of spectacular improvements in the quality and economy of rail service?

People will use automobiles only as long as nothing better is available. Trucks will carry most of the freight within and through metropolitan areas only until faster, more efficient, and more economical transport is available. Mail and express will continue to suffer from central terminal delays only until a better system of coordinated metropolitan mail and express distribution is available. Some will say, "Why flay the dying iron horse? His days of service are nearly over." Others will reply that coordinated electrified through metropolitan railway systems may still be made a dynamic force in the new metropolis with beneficial effects upon land utilization and human activities.

We would do well to keep in mind that commercial, social, and recreational developments invariably follow good equipment on good schedules over good routes. The corollary is that transportation improvements can be financed most economically by capitalizing on the future values which transport improvements invariably create. The modern metropolis challenges the railroads, and the future role of the iron horse in urban transport depends upon the response of railroad management to this challenge.

#### WHO GETS GOVERNMENT SUBSIDIES?

Mr. MURRAY. Mr. President, an excellent editorial on Government subsidies appeared in the Montana Farmer-Stockman issue of April 15, 1960. This editorial points out in a clear, succinct manner how we are all sharing in Government subsidies daily and that the



matter of Government subsidies—contrary to a popular belief—is not limited to the farmers of the Nation.

I ask unanimous consent that the editorial appearing in the April 15, 1960, Montana Farmer-Stockman, Great Falls, Mont., entitled "Who Gets Government Subsidies?" be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### WHO GETS GOVERNMENT SUBSIDIES?

Ask the average man on the street what he thinks of Government subsidies and chances are 10 to 1 that he will tell you he is against them, says a recent National Grange bulletin. Ask him who gets most Government subsidies and his answer will be "Farmers." Asked if he or his business receives a subsidy and the answer is likely to be an emphatic, "No."

But despite such commonly expressed opinions, the American public has been supporting an elaborate system of Government subsidies (including tariffs on countless manufactured items), since the first Congress met in 1789. It is difficult to name a business which is not receiving some type of Government subsidy.

This average man on the street, who says he is opposed to all subsidies, comes into contact with them every day.

When he awakens in the morning, he turns on a light and immediately starts sharing the results of a subsidy provided through a fast tax writeoff plan which saves power companies billions of dollars—and which reduces his light bill accordingly.

When he goes to a breakfast of bacon and eggs, he shares the benefits of the Government's \$21 million Federal meat inspection program—a program conducted by the U.S. Department of Agriculture for the sole purpose of assuring the public a safe and wholesome supply of meat.

If he has children in school, their education is subsidized by taxes paid by the childless neighbor across the street. And, if his are among the 12 million children who eat a hot lunch provided through the highly popular Government school lunch program, he receives direct benefits from another \$150 million Government subsidy. If his children are in one of the 78,000 schools participating in the special school milk program, they come in for a share of still another \$75 million subsidy.

When Mr. Average Man-on-the-Street drives the family car into the filling station and tells the attendant to "fill-er-up" he again shares in a major Government subsidy—one brought about through a special depletion allowance tax regulation which cuts the petroleum industry's annual operation expense by about \$1 billion a year.

If he makes a trip by plane, he rides at a fare made possible by a direct subsidy to airlines—and by the tax-supported airports and air traffic control facilities.

If he lives in a house purchased with a GI loan, he pays a lower rate of interest because Uncle Sam has agreed to bail the banker out in case there is a default in payments.

When he sits down to read a magazine, he starts sharing a subsidy provided through the U.S. Post Office Department—a subsidy which has cut the annual cost of mailing a single publication by as much as \$8,604,000. Ready for bed, the average man-on-the-street goes to a closet and places his trousers on a steel hanger that came from a plant built on a cost-plus basis during World War II and sold to a steel company for a song a few years later.

So, throughout the day, the man who says he is opposed to all forms of subsidy

has been sharing special services provided at the taxpayer's expense.

This situation does not justify a continuation of the type of ineffective farm price support programs now in operation, concludes the Grange, but it does show clearly that farmers have not been—and are not now—the exclusive beneficiaries of special subsidies and services supplied at the expense of U.S. taxpayers.

#### THE BIBLE

Mr. BYRD of West Virginia. Mr. President, the Bible is an astonishing miracle. Written fragment by fragment, over the course of many centuries, under different states of society and in different languages, by persons of the most diverse temperaments, talents, and under differing conditions, we can only marvel at the harmony of the whole sublime and momentous work. Its authors were prince and peasant, bond and free. It contains history, prophecy, poetry, proverbs, prayers, and good literature. Its instructive composition gives wisdom to all who seek it, example to all who wish to follow after it, and hope to all who yearn for it. It teaches us how to live and how to die. It never grows old, but is as real and as applicable to the present age as it was to the age in which its divine words were first revealed. Lawyer and merchant, physician and diplomat, statesman and soldier, rich and poor—all may derive from it alike measureless treasures untold. With each reading of it there comes something new. It is an eternal source of strength. Why is it so? Only because it was divinely inspired and it reveals God's wondrous plan of salvation for erring mankind.

Mr. President, may this Nation of ours hold close to itself the beautiful thoughts set forth in Psalm 19, that magnificent tribute to the grandeur of creation and God's law:

The heavens declare the glory of God; and the firmament sheweth his handywork.

Day unto day uttereth speech, and night unto night sheweth knowledge.

There is no speech nor language, where their voice is not heard.

Their line is gone out through all the earth, and their words to the end of the world. In them hath he set a tabernacle for the sun.

Which is as a bridegroom coming out of his chamber, and rejoiceth as a strong man to run a race.

His going forth is from the end of the heaven, and his circuit unto the ends of it; and there is nothing hid from the heat thereof.

The law of the Lord is perfect, converting the soul; the testimony of the Lord is sure, making wise the simple.

The statutes of the Lord are right, rejoicing the heart; the commandment of the Lord is pure, enlightening the eyes.

The fear of the Lord is clean, enduring forever; the judgments of the Lord are true and righteous altogether.

More to be desired are they than gold, yea, than much fine gold; sweeter also than honey and the honeycomb.

Moreover by them is thy servant warned; and in keeping of them there is great reward.

Who can understand his errors? cleanse thou me from secret faults.

Keep back thy servant also from presumptuous sins; let them not have dominion

over me; then shall I be upright, and I shall be innocent from the great transgression.

Let the words of my mouth, and the meditation of my heart, be acceptable in thy sight, O Lord, my strength and my redeemer.

#### NEW YORK SAYS "VIVE DE GAULLE"

Mr. KEATING. Mr. President, it was my honor and privilege yesterday in New York City to participate in ceremonies and a dinner sponsored by the Franco-American Societies honoring President and Mrs. Charles de Gaulle. The appearance of the French leader in New York City provided many people of my State with an opportunity to express their heartfelt admiration and kinship with him and his nation.

The visit of General de Gaulle to this country has certainly done much to strengthen the traditional bonds of cooperation, friendship, and affection between France and the United States. We are pleased to have had him with us, just as we are glad to have a leader of his stature and resoluteness in the camp of the free nations. His iron will and determination will be vital factors in all efforts to establish a just and lasting peace.

Mr. President, editorials in this morning's New York Herald Tribune and New York Times pay eloquent tribute to the incomparable General de Gaulle and his visit to New York City. I ask unanimous consent to have these editorials printed at this point in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune, Apr. 27, 1960]

#### DE GAULLE IN NEW YORK

Twenty-two hours are hardly enough for New York to assess the magnitude of President de Gaulle of France, or for him to savor the friendliness of this city. Yet we think both understood each other perfectly during his visit of yesterday and last night.

On his previous trip in 1944, if we may say so with some little pride in our prescience, New York gave the general a rather more cordial welcome than Washington did. He recalls in the second volume of his war memoirs that while his public appearances here were held to a minimum because of political necessities, New York's Mayor La Guardia nevertheless bubbled over in his enthusiasm and friendliness.

Yesterday, too, the city bubbled over with admiration and affection. It is not too much to say that the entente cordiale established between De Gaulle and New York in 1944 was yesterday renewed, revived and made permanent.

Tickertape parades up lower Broadway have become something of a commonplace in recent years. But the sincerity, genuineness and warmth of New York's welcome were unmistakable. And although France's president has been depicted as stern, unbending and austere, it was plain to see that he was touched emotionally by the sight and sound of this great city's outpouring.

For no other Frenchman since the First World War could there have been such a reception, simply because there has been no other Frenchman of like stature. And there are others besides the French who are pleased and proud that grandeur, greatness and leadership in world councils once more come from France.

Wherever he goes in the New World when he leaves New York we believe Charles de Gaulle will be met with similar emotion and enthusiasm. New York is glad that it, in its turn, could give expression to them if only for 22 hours. We do not know if fate will take him this way again. We are proud that he has been here twice, and each time a welcome and cherished visitor.

As he leaves us this morning let it be with the words that rang so often in his ears yesterday: "Vive de Gaulle, Vive la France."

[From the New York Times, Apr. 27, 1960]  
DE GAULLE IN NEW YORK

It is impossible for a New Yorker to think of the visit of a great French general to our city without thinking of those memorable days in August 1824, when General Lafayette came ashore in New York on his last visit to the United States. Nothing could be more natural and nothing more apropos, even though we sincerely hope and believe that this is by no means a farewell visit for President Charles de Gaulle.

There were other notable visits, to be sure—Marshal Foch, for instance, on October 28, 1921, and General de Gaulle himself, on July 10, 1944, while the Germans were still in occupation in Paris, and on August 27, 1945, with the war in Europe won and the general already President of the French Provisional Government.

But Lafayette started it on that day long ago when the guns boomed, the West Point band played "See the Conquering Hero Comes," and New York put out its flags and threw flowers while the delirious crowds cheered. Old soldiers wept for joy and for the memories of "battles long ago." The general wept, too.

All this was like a chord whose sound was so true that we will always hear it, as we do now while General de Gaulle is in our city. In Washington, in his address to Congress on Tuesday, the French President himself evoked the memory of that early war when "we fought side by side." We were again fighting as allies when he came here in 1944 and said: "Tomorrow when the world will have to be organized for peace and freedom, the United States of America will find France at her side."

During the next visit, in 1945, victory in Europe having been won, New Yorkers saw another De Gaulle, warm, human, deeply moved by the tribute of the 2 million inhabitants who cheered him. History repeated itself yesterday, when General de Gaulle said he was "profoundly moved." So was Foch in his time. So was Lafayette. So were we and our parents and grandparents all the way back to the day when President John Quincy Adams said farewell to the Marquis de Lafayette in words that were prophetic.

"We shall look upon you always," he said, "as belonging to us, during the whole of our life, and as belonging to our children after us."

#### LABOR-MANAGEMENT SUMMIT TALKS PLANNED

Mr. KEATING. Mr. President, the best way for people to get along is to get together.

This is perhaps nowhere more true than in the case of labor-management relations. It is for this reason that I am delighted to call attention this morning to the White House announcement that a series of high level labor-management summit conferences are to be held in the near future.

Although these conferences were organized and initiated by the Federal Government, participation will be limited to three ranking labor leaders and

three top representatives of management. The Federal Government will not plan a role in this conference. This is as it should be.

The subject matter that it is intended will be covered at these several conferences involves a wide range of important issues. To mention a few: Overall labor-management relations, the rate and impact of automation, and the best ways to deal with increased foreign competition. These three subjects are of unlimited scope.

In particular, the matter of automation and the adjustment to automation through the negotiation and promulgation of work rules is, I believe, the most important and fundamental labor-management issue facing America. It has been much in the news of recent date. It is an issue which certainly merits the careful and high level attention of a conference, such as that being organized by the President.

Mr. President, I shall look forward to future developments with regard to these conferences. I know that I voice the opinion of a great majority of my fellow Americans in saying that I earnestly hope the results of these meetings will be fruitful and will promote and insure greater labor-management harmony and cooperation.

#### SENATOR BYRD OF VIRGINIA

Mr. BUTLER. Mr. President, since 1933 the U.S. Senate has been strengthened and sustained in its examination of fiscal affairs by a man who brooks no compromise—the senior Senator from Virginia [Mr. BYRD]. While others may be tempted to seek an easy way out or to juggle facts and figures, the distinguished and dedicated Senator from Virginia abides by one simple, old-fashioned rule, which is nonetheless applicable in 1960 for all its antiquity, the rule that taxes must equal expenditures.

In the March issue of Dun's Review, Mr. Paul Wooten underscores in a few hundred words the integrity and value of the efforts of the deceptively quiet Senator from Virginia. Mr. President, I suggest that, although his voice is often pitched low, it carries far and clear into the minds of many of his colleagues and fellow Americans.

I ask unanimous consent that the article from Dun's Review be printed in the body of the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A WARNING FROM SENATOR HARRY F. BYRD:  
"FEDERAL SPENDING MUST BE CURBED"

Like Belshazzar, Senator HARRY F. BYRD sees the handwriting on the wall. The ominous warning which concerns the southern conservative is this country's trillion-dollar public and private indebtedness.

"It is well to learn caution from the experience of others," says the Virginia Democrat. "In our time, we have witnessed the devastating experience of Germany, France, and other nations as a result of their departure from sound financial policies. A welfare state is a subterfuge for good government. It has brought to grief every nation in all history that has tried it."

"Preservation of fiscal soundness is not easy," BYRD concedes, "but the present situation cries out for the elimination of every postponable expenditure so that a substantial start can be made toward reducing the national debt. Such a course would be followed if it became apparent that it is the wish of the people. Business and professional men have a heavy responsibility in that connection. They are leaders in their communities and should be able to arouse the citizens to assert their influence. Congress will be quick to cut appropriations if it becomes apparent that the people want it done."

It was BYRD who sponsored the legislation that gave increased flexibility in the management of the public debt. It was this bill which postponed, for tax purposes, the recognition of capital gains and losses on the exchange of outstanding Treasury securities for new issues. Such advance refunding creates a minimum of market disturbance. It is recognized as an effective way of extending the maturity of the debt.

Some of the legislators who have been complaining loudest about high interest rates, BYRD points out, fail to mention that Congress is the principal offender. Had Congress removed the 4½ percent ceiling on the interest rate for long-term bonds, Senator BYRD says, the Government would not have been forced to do its borrowing on a short-term basis. In forcing the Treasury to do its refunding in the short-term market, he believes, a great disservice was done small business and those who need short-term money.

Senator BYRD, who is chairman of the Senate Finance Committee, has long been a crusader for reduced Federal expenditures and for the more economical use of appropriations. He feels that the country has been more generous to veterans than it can afford, and he looks with concern on the progressive liberalization of social security. Foreign aid expenditures particularly arouse the Senator's ire.

"Through the fiscal year to end June 30, the United States will have spent \$73 billion in foreign aid since the end of World War II. That does not include the cost of the Korean war. It does not include our military expenditures abroad or our expenditures for NATO and other organizations for protection of the free world. All of this foreign aid expenditure has been added to the public debt for future generations to pay."

To date, the Senator points out, most of our so-called foreign aid has gone to what may generally be regarded as developed nations. The emphasis is now being shifted to underdeveloped and less-developed nations. These nations in the free world contain more than a billion people, and their needs for money are unlimited.

"Obviously, there is a limit beyond which the American taxpayer cannot be taken," Senator BYRD declares. "There are already areas where taxation is reaching the point of diminishing returns. Our Federal debt is nearly \$300 billion."

"Our balance of payments with foreign countries has been in serious decline. Our gold reserves have been dwindling. If the strength and integrity of the American dollar is not maintained, we shall not meet our commitments at home or abroad."

#### GROWTH AND TAXES

The present level of taxation is a menace to the economic growth of the United States, BYRD warns.

"It would help ease our balance of payments difficulties if our prices were competitive with those of producers abroad. Our purchases abroad, foreign investments, and aid are some \$20 billion more than we have earned overseas through export of goods and services. A fourth of our merchandise exports are agricultural products. One-third



of those exports are being paid for in soft currencies. Many of our products have been priced out of foreign trade. Confidence in the American dollar must be maintained."

The Government must, BYRD insists, stop nonessential and postponable spending, cease profligate spending which has strained our financial position, reduce the debt, and lighten the burden being piled on the next generation if we are to protect the fundamentals on which our form of government and our enterprise system are founded.

#### OPPOSITION TO FLYING OF PANAMANIAN FLAG OVER CANAL ZONE

Mr. BUTLER. Mr. President, a firm policy is needed in Panama regarding demands by nationalists in that Republic for transfer of the sovereignty of the Canal Zone from the United States to Panama. Accordingly, on February 16 I introduced S. Res. 275, declaring it to be the sense of the Senate that the Panamanian Government should not be allowed to fly its flag over the Canal Zone, and that inasmuch as the sovereignty of the Canal Zone had been transferred in perpetuity to the United States by virtue of solemn treaty, there should be no surrender of that sovereignty except with the advice and consent of the Senate through a treaty of equal dignity.

I must emphasize that to a Panamanian, as to any American, the flag is a symbol of the highest and most sacred significance, and that to allow the Panamanian flag to fly over the Canal Zone would not be idle gesture, as has been suggested by some experts, but would be interpreted by the Panamanians as confirmation on the part of the American Government of Panamanian claims to the Canal Zone.

Mr. President, my resolution was duly referred to the Foreign Relations Committee, where it is presently awaiting action. And action is needed. On May 8 presidential elections will be held in the Republic of Panama and the candidates for that country's highest office are filling the air with revelations and rhetoric. These worthy gentlemen are talking of Panamanian sovereignty over the Canal Zone and of the possible nationalization of that great international seaway. Mr. President, we should set these gentlemen straight immediately about the Canal Zone.

I have pressed the Foreign Relations Committee for action on my resolution before the Panamanian presidential elections of May 8. A recent article in the Star and Herald of Panama on page 1 indicates the concern of the thousands of American citizens in the Canal Zone in this matter. I ask unanimous consent to have this article printed into the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Star and Herald, Apr. 8, 1960]  
SENATOR BUTLER ASKS ACTION TO BAN REPUBLIC OF PANAMA FLAG ON CANAL ZONE—URGES VOTE BEFORE REPUBLIC OF PANAMA ELECTIONS—SENATOR CLAIMS DELAY WOULD CREATE FALSE HOPES IN PANAMA

WASHINGTON, April 7.—Senator JOHN MARSHALL BUTLER said today the Senate Foreign Relations Committee has been asked to act

on his resolution to prohibit the flying of the Panamanian flag in the Canal Zone.

In a letter to Senator J. WILLIAM FULBRIGHT, chairman of the Senate Foreign Relations Committee, Butler said he introduced the resolution February 16 and that action is imperative before the Panamanian presidential election on May 8.

"I believe," said BUTLER, "that if Senate action is delayed until after the elections, the promises of Panamanian politicians will raise cruelly false hopes in the people of Panama that their flag will be permitted to fly over the zone."

BUTLER said he introduced the resolution following a statement by Panamanian President Ernesto de la Guardia, Jr. that "the placing of our flag there (in the Canal Zone) is only a logical end of ratifying Panamanian sovereignty."

"I feel," said BUTLER, "that the Canal Zone is sovereign territory of the United States, acquired by constitutional means. I further feel that to permit the Republic of Panama to fly its flag over the Canal Zone would be an unconstitutional encroachment upon our sovereignty."

BUTLER's resolution would declare it to be the sense of the U.S. Senate that there shall be no executive surrender of the U.S. sovereignty over the Canal Zone either by permitting the flying of the Panamanian flag over the zone or otherwise. It says that since the sovereignty of the United States over the Canal Zone was created by treaty there should be no surrender of that sovereignty without treaty of equal dignity.

"I believe that if Senate action is delayed until after the elections the promises of the Panamanian politicians will raise cruelly false hopes in the people of Panama that their flag will be permitted to fly over the zone," BUTLER wrote FULBRIGHT.

#### AMENDMENT OF FEDERAL COAL MINE SAFETY ACT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the hour of 2 o'clock arrives, the pending business be continued as the pending business at that time.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). Without objection, it is so ordered.

The committee amendment is open to amendment.

Mr. COOPER obtained the floor.

Mr. CLARK. Mr. President, may I ask the distinguished Senator from Kentucky to yield, to enable me to make a brief statement on the bill?

Mr. COOPER. I yield.

Mr. CLARK. Mr. President, on behalf of the Committee on Labor and Public Welfare I reported favorably the bill to amend the Federal Coal Mine Safety Act, which is now before the Senate for action. I shall discuss the bill briefly, so that Senators may be familiar with its provisions. However, I understand that the distinguished senior Senator from Kentucky desires to offer an

amendment for himself and several other Senators, and that it would be more convenient for him if he were permitted to offer the amendment at this point. I am, therefore, happy to yield to him now, but I shall make a fuller explanation of the bill after the Senator from Kentucky has completed his remarks.

Mr. COOPER. I thank the Senator from Pennsylvania.

Mr. President, I call up my amendment designated "2-8-60-A," offered on February 8 of this year for myself, the distinguished senior Senator from Virginia [Mr. BYRD], the distinguished junior Senator from Virginia [Mr. ROBERTSON], and my colleague, the distinguished junior Senator from Kentucky [Mr. MORTON].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 3, it is proposed to delete the word "may" and insert in lieu thereof the word "shall."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

Mr. CLARK. Mr. President, would the Senator from Kentucky, for the purpose of the RECORD, be willing to make a brief statement as to why he considers his amendment desirable?

Mr. COOPER. Mr. President, S. 743 as reported by the committee removes the exemption now accorded to title I mines, the so-called small mines, which employ 14 or less persons, and places those mines under the Federal Coal Mine Safety Board for the purpose of Federal inspection and for all other purposes under the Federal Coal Mine Safety Act, as amended in 1952, except as other amendments are provided in S. 743.

Paragraph (b) (1) of the committee amendment provides:

The Director may, by regulation established after reasonable notice and opportunity for hearing to interested parties, modify or make inapplicable any provisions, or part thereof, of section 209 to any mine or class of mines when he finds that such provision or part thereof does not substantially contribute to the safety of the men working in such mines covered by such regulations.

The amendment would substitute "shall" for "may," thus making it mandatory upon the Director to hold hearings and to make such modifications of section 209 as he finds are applicable to title I mines, particularly if the regulations now provided under section 209 do not contribute to the safety of men working in the small mines.

The debate we had for 2 years in the committee was upon the issue as to whether the regulations now contained in section 209 were actually applicable to smaller mines, from the standpoint of contributing to the safety of the employees of the mines.

The amendment I offer for myself and my colleagues directs the Director to conduct hearings and to make changes in section 209, to apply to title I mines only those provisions, and no more, that are actually required for mines safety. He certainly must look into the question of whether or not the regulations pro-

vided under section 209 would be so burdensome as to close down small mines without adding to their safety.

I sincerely hope that the Senator from Pennsylvania, who was the chairman of the subcommittee which conducted the hearings—which he did in a very fair, comprehensive way, will consent to accept the amendment.

Mr. LAUSCHE. Mr. President, will the Senator from Pennsylvania yield?

Mr. CLARK. I yield.

Mr. LAUSCHE. I desire to commend the Senator from Pennsylvania for his efforts in the general field of improving the safety which will attend the miners in their work in the coal mines. I hope the amendment offered by the Senator from Kentucky will be accepted. I believe the combination of the provisions contained in the bill presented by the Senator from Pennsylvania and those in the amendment offered by the Senator from Kentucky will, generally, achieve the principal objective sought. On the whole, I believe the bill as amended will promote the development of the coal mining industry and, in a maximum degree, will insure the safety of the miners who work in the coalpits.

Mr. CLARK. I thank the Senator from Kentucky and the Senator from Ohio for their kind words.

The amendment which has just been offered by the Senator from Kentucky for himself and three other Senators is the result of a number of discussions and conferences in which we who are interested in the bill have been engaged for a period of more than a year.

Speaking for myself, I am quite sympathetic with the problems raised by the bill as originally drafted for the operators of the smaller mines, those which employ 14 or fewer individuals. They are very much concerned that the Federal coal mine safety requirements which will now be extended to them on a mandatory basis will deprive them of their livelihood, and will be enforced against them in perhaps a discriminatory manner. I do not share that concern, which I believe to be without too much foundation.

On the other hand, it is very clear that many small mines, as we call them, which employ 14 or fewer individuals, are family enterprises, where the normal relationships between employer and employee and the State, in terms of health and safety, do not apply. After talking with a number of Senators who are members of the committee, and with others who are desirous, through their sponsorship, to have the bill enacted, I am authorized to accept, and I am happy to accept, the amendment offered by the senior Senator from Kentucky, the senior and junior Senators from Virginia, and the junior Senator from Kentucky.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Kentucky.

The amendment was agreed to.

Mr. COOPER. Mr. President, will the Senator from Pennsylvania yield for a moment?

Mr. CLARK. I am happy to yield.

Mr. COOPER. I intend to speak later on the bill, but now that the Senator from Pennsylvania is about to begin his explanation of the bill, I wish to make this statement.

The Committee on Labor and Public Welfare considered S. 743 and S. 3290, an identical bill, during the 2 years 1958 and 1959. It spent a great deal of time discussing every aspect of the bill. All of us were concerned about the safety of the men who work in the mines. Anyone who lives in a coal mining State, who has ever been in the coal mining business, or who has worked in a mine, knows that mining is a perilous occupation, but also one of the most necessary and useful for our country.

The distinguished senior Senator from Pennsylvania in his capacity as chairman of the subcommittee conducted thorough hearings. Although I was not a member of the subcommittee, I attended the hearings. I found the Senator from Pennsylvania to be absolutely fair and objective in his approach to the bill, and his willingness to consider amendments to protect the small mines even though he was a sponsor of the bill which was introduced.

I make the same statement about the other members of the committee, one of whom I see on the floor at this time; I refer to the distinguished senior Senator from West Virginia [Mr. RANDOLPH], who worked hard and with fairness in the bill. I do not remember any instance in my service on the Committee on Labor and Public Welfare in which more thorough consideration was given to a bill. The distinguished chairman, Senator HILL, and other members also worked very hard to report a fair bill. One of them was the Senator from Oregon [Mr. MORSE], who is a fine lawyer, and one who is always concerned with due process; and I could name the other Members.

Mr. CLARK. I thank the Senator from Kentucky.

Mr. President, let me point out that the Senator from Kentucky has made a real contribution in the form of the bill as it comes to the floor of the Senate. As a result of his interest in the small-mine workers of his State, the bill has been drastically rewritten; and I think it is now fairer and better than the bill I originally introduced with the cosponsorship of several of my colleagues. A great deal of the credit for the improvement of the bill is due to the Senator from Kentucky [Mr. COOPER]. He did very fine work in that connection, and we were most happy to have him sit with the subcommittee. He made a very real contribution to the final product.

Mr. RANDOLPH. Mr. President—

Mr. CLARK. I yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, it is appropriate at this point—even though later I shall address myself to the subject matter of the proposed legislation—to join with my esteemed colleague, the Senator from Pennsylvania, in paying genuine tribute to the Senator from Kentucky [Mr. COOPER] for the objectivity with which he approached this assignment, which was given him—as he has indicated—not as a member of the

subcommittee, but as a spokesman for a considerable number of groups and individuals in reference to the proposed legislation now under consideration here.

Although, at the outset, we had perhaps deeper differences than we might have had, the hearings were conducive to a better understanding of the problem of providing for the safety of the coal miners of the United States who bring from the earth the coal which is so beneficial to our expanding economy.

So, Mr. President, not to labor the point, but because I wish to join the Senator from Pennsylvania in his sincere remarks, I would say that, by and large, what was done by the subcommittee was constructive, even though we had our different points of approach.

Mr. CLARK. I thank the Senator from West Virginia.

Mr. President, I should like to turn to a relatively brief explanation of the provisions of the bill.

This bill is a successor of one which was introduced last year by the Senator from Montana, Mr. Murray, the Senator from Colorado, Mr. Carroll, the Senator from Utah, Mr. Moss, the Senator from Wyoming, Mr. McGee, the Senator from West Virginia, Mr. Randolph, the Senator from Indiana, Mr. Hartke, the Senator from Pennsylvania, Mr. Scott, the late Senator Langer, of North Dakota, the Senator from Alaska, Mr. Gruening, the Senator from Wyoming, Mr. O'Mahoney, the Senator from Illinois, Mr. Douglas, and myself.

The purpose of the bill, as originally introduced, was to extend the coverage of the Federal Coal Mine Safety Act of 1952 to small mines which employ 14 or fewer persons. As originally introduced, the bill was only 3 lines long; it merely struck out the exemption, in subsection (b) of the Federal Coal Mine Safety Act, for mines employing 14 or fewer persons.

Rather extensive hearings were held; there are 258 printed pages of them. Copies of them are available to all Senators.

As a result of the hearings, the bill was rewritten into its present form.

When the Coal Mine Safety Act was passed, 8 years ago, there was opposition by many operators, of mines both large and small, who contended that the enactment of such a safety law would work an economic hardship on them. That led to a compromise under which small mines employing 14 or fewer persons were exempted from the provisions of the Federal law.

I should point out that during the period since World War II, the economics of the coal industry have shifted rather substantially. The larger mines have been mechanized. Their production has been increased. The number of persons employed in them has been drastically reduced; and the products of these larger mines are in substantial competition across the country with the products of the small mines which, under the terms of the 1952 act, were exempted from Federal safety requirements.

The provision exempting mines employing 14 or fewer men from the coverage of the 1952 Safety Act is a purely arbitrary one. As the Director of the



Bureau of Mines, Marling J. Ankeny, stated in his testimony before the subcommittee:

There is no logic to it (the 14-man limit) whatever. It was a matter of compromise.

Since the 1952 act went into effect, both the number of fatalities and the fatality rate per man-hour of exposure in the large mines covered by its provisions have fallen markedly, although the number of fatalities and the fatality rate in the small mines have remained approximately the same.

Bureau of Mines statistics indicate that in recent years the fatality rate in small mines has been more than double the fatality rate in the large mines covered by the Federal law.

There are known to exist in title I mines serious safety violations which State safety laws have not succeeded in eliminating.

I now quote from the testimony which Director Ankeny gave before the committee:

According to the records of the Bureau of Mines for 1958, 13,869 violations of the mandatory provisions of the act were observed in 5,484 title I (employing 14 or less) mines. This means that during this year there were on the average about 2.5 such violations reported on each title I mine.

Mr. President, no one contends that the enactment of this bill will automatically reduce the fatality rate per man-hour of exposure in small mines to the rate prevailing for the larger mines which now are covered by the Federal law. However, it is the contention of the sponsors of Senate bill 743 that the enactment of the bill will inevitably improve the safety conditions under which those who work in the small mines have to labor.

Again I quote from the testimony which Mr. Ankeny gave when he summarized his support of Senate bill 743:

I support S. 743 because title I mines, as indicated by our inspection of them, contain disaster hazards which will in a number of instances lead to both major disaster and disaster-type accidents, and the passage of S. 743 would enable Federal inspectors to at least reduce the number of these hazards in the small mine, in the title I mine.

Mr. President, the committee amendments provide certain procedural aids and safeguards for those who operate small mines so as to assure that the economic impact on them from the enactment of the bill will be minimal.

First, the Director of the Bureau of Mines would be authorized to issue regulations modifying or making inapplicable any provision of section 209 of the original act, the section which recites the detailed requirements, whenever the Director of the Bureau of Mines finds that such provision does not substantially contribute to the safety of the men working in small mines.

I interject here to say that the amendment offered by the Senator from Kentucky, which has just been accepted on behalf of the committee, would make it mandatory for the Director to establish, after notice and hearings to interested parties, rules and regulations which would modify or make inapplicable any part of the requirements set forth in sec-

tion 209 when he finds that such provisions do not substantially contribute to the safety of the men working in the mines. In other words, we have made action by the Director mandatory, instead of permissive.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to the Senator from Tennessee.

Mr. GORE. First, I wish to congratulate the able senior Senator from Pennsylvania upon the presentation of the bill and upon the address he has made with respect to it. It is a notable achievement, of which he has every right to be proud. I, too, am proud of it for him.

Perhaps I am the only Member of the Senate who has actually administered mine inspection and mine safety programs on the State level. Before coming to the Congress it was my privilege to serve as Commissioner of Labor of the State of Tennessee. The mining inspection and safety program, workmen's compensation, and other programs relating to the mining system, are administered in Tennessee by the Labor Department. From my experience, I can bear witness that inspection, with adequate technical equipment for inspection, can result in the saving of lives and the prevention of accidents. Unfortunately, all States do not at all times give adequate enforcement to their own mine inspection laws and programs.

As I understand the Senator's bill, no requirement would be necessary except that which does promote the safety of mine operations. Is that correct?

Mr. CLARK. The Senator is correct. I should like to thank him for his kind words. I appreciate his joining in this debate. I know that his experience will be very helpful to our colleagues when we come to vote on the bill.

Mr. GORE. I shall join in support of the bill, and whatever assistance I can render, either in debate or in personal conversation, will be rendered with pleasure.

Mr. CLARK. I thank my friend for his helpful comments.

Mr. President, I turn now to the second amendment which was made by the committee to the original bill to safeguard the interests of small mine operators. This second change would permit the small mine operators to appeal to the Bureau of Mines or to the Coal Mine Safety Board of Review from the finding by a Federal inspector of a violation. The operators would not have to wait until a closing order had been issued against the mine, as is now the case when safety infractions occur in large mines.

Mr. President, this amendment to the act results from the fear expressed by a number of operators of smaller mines that the Federal inspection system would be used arbitrarily against them; that an order would be issued closing down their mines for various technical violations of the law, and they would not have an adequate opportunity to appeal and have that appeal determined until many days, perhaps months, after a mine had been closed and customers of the mine had been diverted to other sources for obtaining their coal.

The subcommittee was convinced that this right of prompt appeal was a wise additional measure and that the appeal could be conducted without jeopardizing the safety of the men working in the mine.

The third amendment which the committee made to the original bill would require the Federal Coal Mine Safety Board of Review to hear appeals by small mine operators at the county seat of the county in which the mine in question was located or at any other place reasonably convenient to the operator of the mine.

This amendment results also from a fear on the part of the small mine operator that he would be dragged, on short notice, to Washington where he would have to defend the continued operation of his mine in a strange arena, far from the locality where the mine was being operated, and at substantial expense to him.

Recognizing that many of these small mine operators have limited financial resources, and believing further that it would be wise to have the hearing of the appeal in the community in which the mine was being operated, the committee accepted the suggestion which was proposed by the Senator from Kentucky and other Senators; and it will now be necessary for the appellate tribunal to come into an area reasonably convenient to the location of the mine, and convenient to the operator of the mine, to hear the appeal.

The fourth change made in the bill, as reported, would prevent Federal inspectors from closing a mine employing seven or fewer employees for a violation of section 209 of the present act unless the Federal inspector's finding is concurred in by a State inspector or by an independent inspector appointed by a Federal district court of the district in which the mine is located.

It will be difficult for Members of the Senate who do not come from States where coal mining is a major industry to appreciate the need for this provision, yet all of us on the committee were convinced it was a wise addition to the bill. Mines are being operated in practically all the coal-producing States on a family basis. The head of the family and perhaps a brother, or brother-in-law, or a son, or a father, or some of the cousins, will go up on the hill back of the house in which the family lives, drive a tunnel into the side of the hill, strike a vein of coal close to the surface, and operate this as a coal mine. Technically, it is a coal mine. Actually, it is an informal family operation which is very far removed, indeed, from the highly mechanized, intensely organized operation of deep shaft coal mines by large corporations.

Many of these small businessmen were concerned, again, that the great Federal bureaucracy would come to the mines—without any real understanding of the human, family, and business problems—and would issue regulations closing the little enterprises on the hills behind the houses, applying the same stringent requirements to such little tunnels as the Federal bureaucracy would apply to a large coal mine op-

erated by one of the big corporations of the country.

Therefore, quite wisely, I think, the operators of these small family enterprises were given the protection of being able to call in, to redress the balance, a State inspector, who would be more familiar with the social and economic conditions in the vicinity, and perhaps somewhat more sympathetic than someone from a Federal bureau with respect to the problems with which the operator of such a mine would have to deal.

It was also provided that if it were impossible, under the circumstances in the State, to obtain a State inspector, an independent inspector could be appointed by a Federal district court in the district in which the mine was located, so as to assure that a wholly impartial arbitrator would hear the controversy between the Federal mine inspector and the operator before the little family business or small business was driven to the wall by what some feared would be an unduly harsh finding by a Federal inspector.

Mr. President, these are the major changes which were made by the committee in the original bill. Every one of them was put into the bill in an effort to be scrupulously fair to the operators of the smaller mines. No one of them, I think, would cripple or would in any way impinge upon the safety provisions of the bill. Each one of them, on the other hand, I think, does provide for safeguards to protect American small business. I hope the Senate will look with favor on the provisions contained in the bill.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to the Senator from West Virginia.

Mr. RANDOLPH. I am appreciative that the diligent senior Senator from Pennsylvania yields to me so that I may make an observation.

In connection with the administration of the Federal Coal Mine Safety Act, I believe I am correct in stating that there was no evidence, during our subcommittee hearings, that the administration of the act had been other than satisfactory. Is that correct?

Mr. CLARK. The Senator is quite correct. The fears of those individuals who entertained fears were all anticipatory, and, to my way of thinking, in many respects were quite unjustified; yet I think the committee wanted to be sure it was being fair.

Mr. RANDOLPH. I share the expressions of the Senator from Pennsylvania with reference to the reasoning by the members of the subcommittee and of the committee in accepting the proposed changes, which the Senator has interpreted so well for the Senate.

Mr. CLARK. I thank the Senator from West Virginia.

Mr. President, I have two brief additional points to make, and then I shall be happy to yield the floor, in order that my colleagues may speak with respect to the bill.

The additional cost of the Federal inspection provided for in the bill will be \$400,000 a year. This is a pretty modest

amount, but in view of the rather critical position which the administration has taken toward the expenditure of as much as 1 cent more in the current budget, I am sure my friends on the other side of the aisle and some of my friends on this side of the aisle will be happy to know that the administration has approved this bill and supports it, despite the fact that it calls for the expenditure of this additional sum of \$400,000 to properly enforce the increased responsibility to be given by the act.

Finally, Mr. President, I should like to say a word through the RECORD to my good constituents, the operators of the smaller mines in Pennsylvania. They have been seriously concerned by the present effort to amend the act. They have felt this was an effort by the larger coal mines and, to be perfectly frank, by the United Mine Workers of America, to put the smaller and nonunion mines out of business. They came to Washington, D.C., and testified. They wrote me many letters. I have spent a good deal of time in conversation with these worried constituents of mine.

I should like to assure my constituents that not only I but also my Republican colleague [Mr. SCOTT] and the members of the subcommittee and of the full committee have given very careful attention to the objections they raised. The provisions of the bill, which I have recited at some length, are a reflection of our concern that they should be permitted to continue in business, and to continue in business at a profit, without interference from the large coal mines or the men who work in the large coal mines, so long as they maintain proper safety provisions.

The need for those proper safety provisions is perhaps well evidenced by the unhappy tragedies which occurred in Maryland and Kentucky, earlier this month. Three men were killed in a small mine cave-in near Kitzmiller, Md., just a few days ago; and three men were killed at almost the same time in an unfortunate mine fatality due to a roof fall in a small mine near Houckville, Lawrence County, Ky. In both cases only three men were employed in the mines, so all miners working in both mines were killed. The deceased were all miners of many years' experience.

One can hope that had the pending bill been enacted into law and had timely Federal mine safety inspections been made these unhappy tragedies would not have occurred.

The State inspectors had not been able to inspect and to require the proper precautions to be taken. I suggest that this kind of tragedy, which is occurring every month because appropriate legislation has not been enacted into law, may well be prevented if the Senate will, this afternoon, pass and send to the House for final action the bill which is now pending.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. CLARK. I yield to my friend from Illinois.

Mr. DOUGLAS. I congratulate the Senator from Pennsylvania for serving

as the chief sponsor of the pending bill. I was very happy to join him as a cosponsor.

As the Senator may remember, two terrible coal mine accidents in the State of Illinois helped to lay the basis for the 1952 act, namely, the disaster at Centralia in 1948, and the disaster at West Frankfort in 1951. Those two accidents helped to trigger the 1952 act, which applied to mines employing more than 14 persons. With respect to such mines, I think the record has been a very good one. Power is given to the Federal coal mine inspectors to close a mine if it is markedly unsafe.

However, a large percentage of accidents occur in mines with fewer than 14 employees. If a man is killed, it does not make much difference whether he is killed in a small mine or a large mine.

Mr. CLARK. It is much the same to him.

Mr. DOUGLAS. That is correct.

I notice, in the revised and amended text of the bill, and in the report of the committee, that every effort has been made to protect the operators of small mines. As I understand it, it is provided that for mines which employ fewer than 14 miners, there is a possibility of appeal.

Mr. CLARK. The Senator is correct.

Mr. DOUGLAS. The appeal to be heard at the county seat where the mine is located, so that operators and miners will not have to travel great distances.

Mr. CLARK. The Senator is correct.

Mr. DOUGLAS. Is it furthermore true that in the case of the extremely small mines the Federal mine inspector may not close a mine unless his decision is concurred in by the State mine inspector?

Mr. CLARK. Or by an independent inspector appointed by the judge of the Federal court of the district in which the mine is located. The provision referred to applies to violators of section 209 of the act.

Mr. DOUGLAS. So that every effort has been made to protect the operators of small mines against unreasonable action by the Federal mine inspectors.

Mr. CLARK. The Senator is correct.

Mr. DOUGLAS. At the same time, an effort is made to protect the lives and the safety of the coal miners who work in such mines.

Mr. CLARK. That is the purpose.

Mr. DOUGLAS. I congratulate the Senator from Pennsylvania and the other members of the committee for reporting the bill. I hope it will be passed unanimously.

Mr. CLARK. I thank my friend for his helpful comments. I am happy that he has associated himself as a cosponsor of the pending legislation.

Mr. President, unless other Senators desire to question me, I yield the floor.

Mr. ROBERTSON. Mr. President, I feel gratified that the distinguished author of the bill was willing to accept the amendment offered by our colleague from Kentucky [Mr. COOPER] in behalf of the two Kentucky Senators and the two Senators from Virginia. We feel that that measurably improves the bill; but, unfortunately, I still cannot bring myself to support it.



I am opposed to the pending bill, S. 743, because I feel it would threaten the continuation of several thousand small business operations and add to an already acute unemployment problem in coal mining areas without serving the practical ends of safety.

The Executive Office of the President and the Department of the Interior both have indicated willingness to accept as a substitute for this bill S. 2403, which would authorize a thorough study of mine safety problems and the best way of dealing with them. I hope that the Senate will follow that course and permit further investigations before we extend Federal power to another area of small business and take away the authority which now is exercised by State agencies responsible for safety measures in mines employing not more than 14 persons.

It is significant, I believe, that I have not received a single communication from an employee of a small coal mine endorsing S. 743 as a measure which would benefit him. On the other hand, I have received dozens of letters from operators of these small mines who say passage of this bill will threaten their business existence and who charge that this legislation, regardless of the fine motives of its sponsors, will serve only to put them out of business because they cannot afford to buy the type of safety equipment that would be required and needed only in deep shaft or gassy mines.

I think it is significant, also, that Members of this body from the States—Virginia and Kentucky—in which a majority of the small mines are located are opposing S. 743 and that it is being sponsored by representatives of States where most of the coal mining operations are on a large scale and would not be directly affected by this legislation.

The Governor of Virginia and the officials in my State who are responsible for mine safety not only see no need for such a law as S. 743 would provide, but they also resent the implication that Virginia will not take adequate precautions to protect its mineworkers and they are opposed to this intervention by Federal authorities.

Organizations of businessmen in the mining areas of my State, who are deeply concerned about the welfare of local residents, see no benefit to miners in this legislation, but have expressed their fear of its economic effects.

It should be recognized that in many small mining operations there is not the dividing line between labor and management which exists in larger enterprises. The owner of the mine and members of his family are likely to be active workers in the operation. They are exposed to the same dangers as the few outside workers they employ. If they neglect proper safety precautions, they risk their own lives. It is these men who have told me they see no virtue but much danger in S. 743.

They would not mind any regulations which were needed and especially adapted to their type of operation and they would welcome the type of study proposed in S. 2403, especially if it led to educational efforts that would pro-

mote safety. But they say it is as inappropriate to saddle the little mines with the same type of regulation now applied to the big mines as it would be to impose on owners of motorboats all the safety restrictions applied to ocean liners.

The Federal Coal Mine Safety Act of 1952, which S. 743 would broaden to cover mines employing less than 15 persons, did not attempt to deal with day-to-day types of minor accidents, which were left for State regulation. This was positively stated in a letter dated July 18, 1958, signed by Assistant Secretary of the Interior Royce A. Hardy, who said:

Congress reserved to the jurisdiction of the States the responsibility for control of the day-to-day type of accidents.

This letter quoted House Report 2368 of the 82d Congress, 2d session, dated June 30, 1952, as saying the bill passed that year "is designed to prevent the causes of these major disasters," and Mr. Hardy added:

The proposed legislation (similar to S. 743) is also designed to prevent these causes and extends coverage to mines employing less than 15 men.

And yet, at the time that letter was written there had been in all the years for which the Bureau of Mines has records, only two disaster-type accidents involving the small mines. Since then there has been a third accident involving nine persons. But, with these exceptions, most of the small mine accidents have been of the type which Federal legislation never was designed to cover.

I know that statistics have been inserted in the Record of this body listing the number of accidents occurring in small and in large mines and purporting to show the need for this legislation. Those figures are challenged, however, by the small mine operators as being of doubtful accuracy and in any case highly misleading.

The figures which have been submitted for the record are presented as "subject to revising." That phrase might be accepted as meaning merely that final figures would require a slight adjustment but previous experience has shown that where this particular type of statistic is concerned, "revising" may be a major operation. They are estimates, rather than preliminary and not quite complete reports and what may happen to them is illustrated by the fact that in March 1958 the Bureau of Mines released statistics purporting to show a fatality rate in class I—small—mines of 4.24 per million man-hours during the year 1957; in April 1958 the Bureau revised its figures to show this 1957 rate was 3.23 and in January 1959 it issued another revision, bringing the 1957 rate down to 2.55.

Information obtained from State authorities in Virginia and Kentucky has shown that the Federal agency seriously underestimated the number of men employed in small mines in those States and it may be presumed that figures from other States are equally inaccurate. Of course, the understatement of production figures results in a higher

apparent accident rate when the calculation is made by comparing the number of accidents with the number of tons produced.

Also, in these statistics the accident rate attributed to the smaller mines is exaggerated because the larger, mechanized mines produce more coal per worker and, therefore, the per capita exposure in relation to the amount of coal mined is less.

A fairer comparison would be based on the number of accidents compared to the number of man-hours worked, but even these figures would be unreliable unless the reporting agency had full information—which the Federal Bureau of Mines obviously does not have—on the number of men employed in the small mines.

The difference which a change in the basis of statistics from production to man-hours might make is illustrated by the fact that in Virginia class II—large—mines produce about 60 percent of the coal, but class I—small—mines employ about 60 percent of the workers to produce the remaining 40 percent.

Even if accident figures applied to class I mines are accepted at face value, however, the proponents of S. 743 will have difficulty showing that its passage would improve the situation, in view of the fact that the accident rate in large mines, which have been subject to this type of regulation since 1952, has been increasing rather than declining.

Evidently there is need for further study of means to prevent accidents in large mining operations and until that has been done and until more accurate data has been obtained on small mine operations, there is no justification for putting these small mines under Federal supervision.

I hope, therefore, that S. 743 will be rejected.

Mr. President, I yield the floor.

#### TWENTY-FIFTH ANNIVERSARY OF THE SOIL CONSERVATION ACT

Mr. ELLENDER. Mr. President, 25 years ago today the late Franklin D. Roosevelt, President of the United States, signed into law the first soil conservation act in the history of our country.

The act, which received the unanimous approval of the Congress, declared soil and water conservation on farm, grazing, and forest lands of the Nation to be a permanent policy of the Congress of the United States.

It also created the Soil Conservation Service in the Department of Agriculture to exercise the powers conferred by the law.

Today I wish to pay tribute to the Soil Conservation Service for the admirable job it has done during the first quarter-century of its existence. More progress has been made in advancing soil and water conservation on the farmlands of America during the past 25 years than in all the previous years of our existence.

One of the most formidable obstacles that faced the dedicated employees of the Soil Conservation Service was the need to change the attitude of millions

of people about the need for conserving our land and water resources.

All through the history of our young Nation, we have been blessed with an almost unlimited supply of land and water. But today, faced with the prospect of an ever-growing population, we must realize that there is a limit to the bountiful gifts that nature has given us. We must look to the future.

The Soil Conservation Service has done a splendid job in this direction. It has convinced thousands of farmers of the benefits of conserving our soil and water resources and has followed through in assisting them in getting on with the job.

Of the many factors which have contributed to this success, three are outstanding:

First was the development of the concept of using a scientific inventory of the soil on each farm to determine its capability for safe use. This has made it possible for farmers to prepare and apply, with technical help, practical conservation plans for their land—plans which are scientifically sound.

Second was the development by the Soil Conservation Service of a new kind of professional technician—the soil conservationist. This has made it possible to bring to coordinated focus on a single farm, techniques representing a combination of the physical, biological, and social science.

Third was the creation of local soil conservation districts through which the services of the Soil Conservation Service are made available to farmers. This has made it possible to bring the full benefits of modern conservation technology to individual farms under local control and guidance according to local needs and desires.

The growth of the soil conservation district movement in the United States is one of the phenomenal developments of the past quarter century.

The use of soil conservation districts was originally conceived as a mechanism whereby Federal assistance could be made available to farmers through a unit of State government. This thought was nurtured and fostered. In 1937 a model State soil conservation district law was transmitted to the Governors of all States by the President, urging that such laws, adapted to local conditions, be enacted.

In the short span of time that has since elapsed, every State legislature has enacted such a law. Some 2,865 soil conservation districts have been organized by local people under these laws. They include within their boundaries some 95 percent of all the farms and ranches in this Nation. Nearly 2 million farmers are now cooperating with local soil conservation districts in practicing conservation farming.

Each soil conservation district has a program for solving the soil and water conservation problems within its boundaries. In addition to the help of the Federal Government, all State legislatures are now appropriating State funds to help the districts carry out their programs. Some county governments are providing needed resources and many

private organizations and individuals are making contributions.

Today the soil conservation district is the central source of help and information about soil and water conservation in nearly every community in the Nation.

Some 14,000 private citizens are providing the local leadership for the functioning of these districts. I would venture a guess that since the inception of this program more than 50,000 persons have served their fellow citizens in this leadership capacity.

In my judgment, this represents the most successful experiment in agricultural democracy in the history of the United States.

But what of the future? Much work remains to be done if we are to adequately preserve our most precious natural resources—soil and water—so that they can be of benefit to our grandchildren, and to their grandchildren.

I have every reason in the world to believe that the hard-working people who give so freely of their time and energy to provide leadership in the soil conservation district movement will continue to do so in the future.

For what they have done in the past, and for what they will do in the future, they deserve our tribute, and the everlasting gratitude of millions of American citizens as yet unborn—the people who will eventually profit from their fine work.

On this occasion of the 25th anniversary of the Soil Conservation Service, it is appropriate that we publicly commend the work which has been done by the corps of soil and water conservation technicians in the Soil Conservation Service.

Therefore, as chairman of the Senate Committee on Agriculture and Forestry, I would like to say "well done" to the men and women of the soil conservation districts, and my sincere hope that they will continue their efforts to insure the economic welfare of our Nation in the years to come.

Mr. COOPER. Mr. President, I am very glad that the distinguished Senator from Louisiana has made his statement on the Soil Conservation Act, and its great success in the years which have passed since its inauguration, and also his word of appreciation for the many soil conservation districts throughout the United States.

Mr. ELLENDER. I thank the Senator.

Mr. MURRAY. Mr. President, I should like to pay tribute to the farmers and ranchers of America and to the Soil Conservation Service for 25 years of notable accomplishments in soil and water conservation.

Our national soil and water conservation program began in 1935—on April 27—when we of the 74th Congress enacted Public Law No. 46, an act that declared soil and water conservation to be a permanent national policy and established the Soil Conservation Service.

It was my privilege to be a part of this development from the very beginning. I came to the Senate on January 3, 1935, when the 1st session of the 74th Congress began, having been elected by the people of the great State of Mon-

tana November 6, 1934, to fill the unexpired term of the late Senator Thomas J. Walsh.

Just a few months before my election, on May 11, 1934, the Nation had been startled by a tremendous dust storm that originated in the Great Plains and blew in a great cloud eastward over Washington, D.C., and on out to sea. Nothing like this had ever happened before in the United States.

In March 1935, when we of the Senate Public Lands and Surveys Committee were holding hearings on H.R. 7054, another great dust storm roared out of the West. The skies took on a copper color. The air became heavy with silt from 2,000 miles away.

We watched it from the windows of the Senate Office Building. Then we turned to listen again to the man who had been testifying all morning on the need for a national policy and program to protect our soil resources. That man was Hugh H. Bennett, whose pleas for erosion control had been largely unheeded for more than 25 years.

We had seen the devastating effects of land misuse with our own eyes. We acted swiftly. The House bill we had been considering speedily became Public No. 46, without a dissenting vote in either the Senate or the House, and a national conservation program, plus a new permanent agency to carry it out, was thus created.

That legislative act was the first of its kind in the world, and I am indeed proud that I assisted at its birth. It had been my privilege to help develop this program through its early stages, and into full-scale operations; and now, 25 years after its birth, I am still an anxious godfather. I intend to remain one.

Hugh Bennett, the "father" of soil conservation, became the first chief of the Soil Conservation Service. No other man could have even been considered for the job. Hugh Bennett, the "Messiah of the Soil" who stirred us into action, built from scratch what is now the greatest soil and water conservation technical organization in the world. He has seen his concept of using each acre of land within its capability and treating it according to its needs spread to more than 2,800 communities of the Nation, and to many other countries that have sent men here for training.

It was my privilege to work closely with Dr. Bennett, now retired for the past 8 years, and I salute him as a man to whom America owes a great deal; certainly more than can be put in words. And it has also been my privilege to be closely associated with his successors, the late Dr. Robert Salter, who succeeded Dr. Bennett, and the present Administrator, my friend Don Williams, who came up through the ranks of the Soil Conservation Service to become its Chief in 1953.

When we enacted Public Law 46, 25 years ago this month, we laid the groundwork for a national program for conserving soil and water resources on farm, grazing, and forest lands of the Nation. I am proud that I have been associated with many improvements and additions, including new legislation, that have



developed in response to needs of the program.

The original act, of course, established the Soil Conservation Service, only agency of Government that devotes all its resources to soil and water conservation. The Soil Conservation Service work started on a demonstration basis.

But it was obvious from the beginning that a demonstration program, although it showed how we could conserve soil and water on our farmlands, was not the final answer. We knew that Government could not do the job. It was a job for the farmers and ranchers themselves. But they needed help.

Thus we moved into a new phase of our national soil and water conservation program. At the suggestion of President Franklin D. Roosevelt the States began to enact soil conservation district enabling acts.

These State laws authorized farmers and ranchers to organize and manage local subdivisions of the State to plan and carry out locally adapted soil and water conservation and land-use programs.

The first soil conservation district in the world was organized in North Carolina in 1937. That was the beginning of what I consider to be the most significant movement in our agricultural history.

Farmers and ranchers everywhere liked soil conservation districts because they are farmer organized and farmer run. The farmers develop their own programs and they direct the job of carrying them out. Districts are the coordinating agency through which various kinds of needed State and Federal aid are channeled to cooperating farmers.

Districts formed a partnership with the Soil Conservation Service. Soil Conservation Service assigns technical specialists to districts upon requests. They help the leaders of the district carry out the district's program. Soil Conservation Service is a junior partner. I do not know of a finer relationship anywhere than the one that exists between local soil conservation districts and Soil Conservation Service technicians.

Soil conservation districts swept the country. Today there are more than 2,860 of them in the 50 States and in Puerto Rico and the Virgin Islands. Twenty-one States are completely covered by soil conservation districts, another 12 are more than 90 percent covered, 9 are between 80 and 90 percent and 5 are between 70 and 80 percent covered. More than 95 percent of the farms and ranches in the Nation are now within the legal boundaries of soil conservation districts. These districts have about 1.9 million cooperators.

Soil conservation districts have had tremendous impact upon American agriculture. They are changing the landscape of America into a pattern of utility and beauty. You can see the effects of their work almost anywhere you look.

More than 14,000 local men serve on the governing bodies of soil conservation districts. They are elected by their fellow farmers and ranchers. They serve without salary. These men are doing a great job for their communities and for

their country. I know of no more dedicated and unselfish group of people. The true worth of the work they are doing will be assessed fully only by future generations.

There have been many milestones in our quarter century of soil and water conservation. I should like to call attention to two more—both of them the outgrowth of experience that required legislation authorizing new programs.

Our national program was greatly strengthened when we of the Congress enacted the Watershed Protection and Flood Prevention Act in 1954. We improved this legislation by amendments in 1956 and again in 1958.

The Small Watershed Act broadened the scope of the original Soil Conservation Act of 1935 by providing a means whereby the local people can obtain technical and financial assistance from the Federal Government in carrying out flood prevention and water management projects in small watersheds that the local people cannot complete with their own resources.

Prior to this legislation, we had been working at both ends of the problem but not in the middle. We had provided the means to solve soil and water problems on individual farms and ranches, and we had provided for big flood control and reclamation dams in major river basins. The new watershed act plugged the gap between.

Small watershed projects are handled in the same grassroots way that our national soil and water conservation program is handled through soil conservation districts. There is no dictation from the Federal Government. The local people themselves, through a responsible local organization, must initiate their own watershed projects, and they must participate in the planning, construction cost, and maintenance of them. Any application for Federal assistance must be approved by the State government.

The popular response to this program indicates its need. By April 1 of this year 216 small watershed projects were in operation, 538 others were in the planning stage, and an additional 524 local organizations had applications for assistance on file with the Soil Conservation Service.

Another soil and water conservation milestone was enactment of the Great Plains conservation program in 1956.

This program, tailored to the climatic hazards and low rainfall of the Great Plains States, including my own State of Montana, provides for technical and cost-sharing assistance to farmers and ranchers in developing and carrying out long-term land-use adjustments and a conservation plan under the terms of a contract with the Federal Government. The contracts run from 3 years to 10 years, and cost-shares are guaranteed for the life of the contract.

This program applies only to designated counties in an area that includes parts of Colorado, Kansas, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, and Wyoming.

As of April 1, 4,222 farmers and ranchers operating 11¼ million acres had pre-

pared conservation plans and had entered into contracts to carry them out. Nearly 3,000 additional applications were on hand.

We have come a long way in a brief quarter century, but much remains to be done. I am proud to have had a continuing role in the development of our national soil and water conservation program. I shall continue to support it with the firm conviction that by so doing I am contributing to the present and future welfare and safety of the United States.

Mr. YOUNG of North Dakota. Mr. President, Americans once had an unhappy record of squandering their originally abundant resources. When white men arrived on this continent, they found a land blessed beyond dreams with fertile soil and other natural resources. Assuming that these gifts of nature were inexhaustible, they dissipated and wasted them—often recklessly. Pioneers moved westward. They opened up new land for agricultural development, but many continued to waste the land by unwise farming methods.

Finally, we had to face up to a period of reckoning. In a time of drought in the 1930's, the soil began to move over large areas of the Great Plains. Excessive cultivation and lack of conservation had made the land vulnerable. We witnessed the spectacle of giant duststorms. People talked of the Dust Bowl. Obviously, something had to be done.

For many years, Dr. Hugh Bennett of North Carolina, a disciple of soil conservation, had been trying to bring America to a realization that it must take better care of its soil and water resources and move ahead with a program of conservation and wise land use.

Nevertheless, it was not until the dust from the Great Plains blew against the windowpanes of this Capitol Building that he got action. People in the East, as well as in the Midwest and Great Plains, all at once awakened to the fact that we were in trouble on the land.

The 74th Congress passed the Soil Conservation Act without a dissenting vote. It declared that soil erosion is a national menace and it made the conservation of soil and water resources a matter of national policy. The act also established the Soil Conservation Service as an agency of the Department of Agriculture.

I call this to the attention of the Senate for two reasons. First, because this is the 25th anniversary of the Soil Conservation Service and it is appropriate that we honor the men who make up this organization and who have done so much to halt the wasting of our soil and water resources.

The Soil Conservation Service is only 25 years old, but in that time it has rendered a service of which every citizen in this great country of ours can be proud.

It is also fitting on this occasion to recognize the 40 present Members of the Senate and the House of Representatives who were Members of the 74th Congress that enacted legislation of such far-reaching import.

I should also like to pay my respects to another organization, one that has played an important supporting role in

this conservation movement. I refer to the National Association of Soil Conservation Districts and the 14,000 soil conservation district supervisors who administer the district program.

About the time the Soil Conservation Service was established, farmers and ranchers were beginning to realize the dangers of soil erosion and the urgency for its control. Soil conservation districts was one important outgrowth of this realization. Organized under permissive legislation in each of the 50 States, Puerto Rico, and the Virgin Islands, the 2,865 soil conservation districts now in existence cover 1½ billion acres of the Nation's farm and ranch land. These districts, as local units of government, are doing a tremendous job in soil and water conservation. They are serving effectively as the local managers and coordinators of local, State, and Federal conservation efforts.

Twenty-five years ago, responsibilities of the Soil Conservation Service were largely in the field of erosion control. Today Soil Conservation Service is responsible for many major functions. One in which I am particularly interested is the Great Plains conservation program, now functioning in parts of 10 Plains States.

Although I was born and reared in a Plains State, and was actively engaged in operation of my farm near Berlin, N. Dak., until I came to Washington in 1945, I had never fully realized the tremendous economic losses that this area was periodically suffering through drought, high winds, blizzards, hail, and hard rains.

The Great Plains conservation program is designed to help ranchers plan their operations so as to minimize the hazards of extreme weather, and it gives further emphasis to the soil conservation district program in attaining their soil and water conservation objective in the Plains States.

It is for these and many other reasons, which time does not permit me to go into now, that I direct your attention to the 25th anniversary of the Soil Conservation Service. Twenty-five years seems a long time in a human life. It is a short time in history. Yet in that time we have seen enormous conservation accomplishments and a major reduction in the erosion and loss of our priceless soil resources. The joint program of the Soil Conservation Service and soil conservation districts is having an effect—a vital, beneficial effect—on America's future.

That is why, on this occasion, it is fitting and proper that the Soil Conservation Service receive the recognition it so richly deserves for the magnificent job it has done to conserve and develop our soil and water resources—not only for the present generation, but for the Nation's growing population of the future.

Mr. HUMPHREY. Mr. President, it is my pleasure at this time to recognize the 25th anniversary of the Soil Conservation Service. Twenty-five years ago today Franklin D. Roosevelt, as President of the United States, signed into law the first Soil Conservation Act adopted for the United States. This act declared soil and water conservation on

the lands of our Nation to be a permanent policy of the Congress. It called for the establishment of an agency of Government to be known as the Soil Conservation Service.

In its quarter century of existence the Soil Conservation Service has made for itself an outstanding reputation of service to agriculture and the entire Nation. I would summarize in four points the main reasons for this tremendous success.

First. The Soil Conservation Service has drawn into its ranks a corps of competent, scientific, dedicated public servants who have championed the cause of preserving America's natural heritage. These dedicated men have awakened millions of Americans to the need for soil and water conservation.

Second. The Soil Conservation Service developed the concept that each acre of farmland should be used within its capabilities and treated in accordance with its needs for protection and improvement—that each farmer needs to put into operation his own technically sound conservation plan for the soil, water, and timber resources upon which his family's livelihood and the Nation's long-term security depends.

Third. The Soil Conservation Service has taken the leadership in focusing public attention to the fact that vigorous and positive action for water conservation needs to move in step with our national program of soil conservation.

Fourth. The Soil Conservation Service conceived, developed, and nurtured the soil conservation district movement which I consider to be a model in the kind of a partnership that is needed between the private landowner and his Government.

The services of the Federal Government are made available to farmers through an agency of State government managed by local leaders elected by the local citizens. Under this arrangement nearly 2 million farmers in our Nation are receiving technical assistance in protecting and improving their land resources.

I think it worthwhile to review briefly how this arrangement was started, and I do this for a specific purpose.

President Franklin D. Roosevelt provided the inspired and needed leadership to get it started after the Congress had provided the basic legislation. In 1937, President Roosevelt sent to the Governor of each State a model soil conservation district law encouraging its enactment as it fit the State as a means through which the citizens of that State could seek the services of the Soil Conservation Service. Subsequently, all State legislatures enacted such legislation under which the people have now created 2,865 soil conservation districts covering most of the farms and ranches in the Nation.

The soil conservation program was launched by strong leadership at the very top of our Government. One of the dangers to the conservation movement today is the danger of official apathy. At the very time that our swiftly-growing population is building up explosive pressure upon our natural

resources, we find that much of the original zeal for conservation has disappeared from the high levels of government.

We need to have more imaginative and responsible action for helping farmers and local communities advance conservation more rapidly. And this 25th anniversary of the Soil Conservation Service is a proper time to recognize this need.

I want to pay tribute to the men in the Soil Conservation Service for the fine job they have done in helping America get started in protecting and improving our natural heritage during their first quarter century of operations. But the job is only started. There is an enormous amount yet to be done. We have a tremendous challenge ahead. We must have national leadership with sufficient zeal to take the actions needed to meet this challenge.

#### AMENDMENT TO THE FEDERAL COAL MINE SAFETY ACT

The Senate resumed the consideration of the bill (S. 743) to amend the Federal Coal Mine Safety Act, in order to remove the exemption with respect to certain mines employing no more than 14 individuals.

Mr. COOPER. Mr. President, I rise to speak on the pending bill—S. 743—entitled "The Mine Safety Act." During the time the bill was considered in committee, in 1958 and 1959, I was a member of the Committee on Labor and Public Welfare, and participated in all the discussions in the Labor Committee.

My interest arises primarily from the fact that I serve in the Senate as a representative from Kentucky, a coal-mining State. Kentucky stands third among the States in the production of coal, being surpassed only by West Virginia and Pennsylvania. It is only natural that those who labor in the mines, mine operators, and all the business enterprises in the coal-producing areas, as well as the people of my State, should have a deep interest in any legislation affecting coal. And as a humane people we are particularly interested in measures which deal with the safety of the mine workers.

As I said a few minutes ago, no one can visit the coal-producing areas of our country, go into the mines and see the conditions under which miners must work, without being impressed with the necessity of every measure being taken to insure their safety.

I remember that in the summer of 1918 I went to Bell County and Harlan County, Ky., and worked at the coal mines there. This was not an extensive experience but I saw, for the first time, when I was 16 years of age, the difficult conditions under which miners must work. I was in the mines, I worked around the mines, for a limited period.

Since that time I have gone again and again to the coal-producing areas of eastern Kentucky and western Kentucky. I have been in the coal mines. I have talked to the miners. I know that theirs is a dangerous occupation. It is also



a necessary occupation. The coal miners are essential to the Nation's economy. Their work and the work and investment of coal operators is essential to the defense of the country. So, the people of my State, with its great coal-producing areas, both in western Kentucky and eastern Kentucky, are very much interested in this legislation.

Mr. President, I ask unanimous consent that there be printed in the *RECORD* at this point a table which relates to coal production in 1958, showing the tonnage mined, its value, and the wages earned by the miners.

There being no objection, the table was ordered to be printed in the *RECORD*, as follows:

*Coal boosts the economy of 26 States*

State	Total production <sup>1</sup> (net tons)	Value of production (f.o.b. mine price)	Recoverable reserves (net tons) assuming 50 percent recovery <sup>2</sup>	Number of man-days worked <sup>1</sup>	Approximate aggregate State income from wages
<i>Millions</i>					
Alabama	11,181,943	\$72,347,171	32,862	1,331,342	\$33,283,550
Alaska	759,282	6,932,244	80,000	59,814	1,495,350
Arkansas	364,138	2,741,959	761	49,745	1,243,625
Colorado	2,974,189	19,302,486	49,703	400,641	10,016,025
Georgia	8,751	43,755	38	2,734	31,000
Illinois	43,912,405	176,527,868	68,276	2,243,234	56,080,850
Indiana	15,022,224	58,436,451	17,529	758,713	18,967,825
Iowa	1,178,613	4,148,717	14,225	101,221	2,530,525
Kansas	823,322	3,713,182	10,376	54,087	1,352,175
Kentucky	66,311,805	289,119,469	59,146	5,479,323	136,983,075
Maryland	837,738	3,158,272	595	124,116	2,211,000
Missouri	2,592,162	11,120,374	39,400	228,068	5,701,450
Montana	304,961	1,476,011	110,853	33,796	844,900
New Mexico	116,656	717,434	39,733	42,254	502,203
North Dakota	2,313,858	5,414,427	175,367	65,745	1,843,625
Ohio	32,028,396	126,191,880	41,306	1,996,290	49,907,400
Oklahoma	1,629,443	10,832,090	27,809	174,944	4,373,600
Pennsylvania	67,770,862	374,685,158	35,760	7,227,142	180,678,550
South Dakota	19,671	78,284	1,015	2,390	59,750
Tennessee	6,784,600	25,985,018	12,458	825,351	20,633,775
Texas <sup>3</sup>	( <sup>3</sup> )	( <sup>3</sup> )	15,438	( <sup>3</sup> )	( <sup>3</sup> )
Utah	5,327,516	30,366,841	46,421	523,945	13,098,625
Virginia	26,826,067	130,374,685	5,300	3,173,661	79,341,525
Washington	252,269	1,967,698	31,791	48,314	1,207,850
West Virginia	119,467,697	635,668,148	52,181	11,205,538	280,138,450
Wyoming	1,629,430	5,817,065	60,378	83,073	2,076,825
Total	410,437,898	1,995,996,695	1,019,232	36,238,242	904,403,528

<sup>1</sup> Figures for 1958: Production and employment from U.S. Bureau of Mines, Department of the Interior.

<sup>2</sup> Reserves updated from 1954 U.S. Geological Survey on basis of Bureau of Mines' production figures.

<sup>3</sup> Not available. Texas produces substantial quantities of lignite annually, but production figures are not reported.

Mr. COOPER. West Virginia, Pennsylvania, Illinois, and Ohio, along with Kentucky, are the leading coal-producing States of the Nation.

The Senate will remember that from 1941 to 1952 the jurisdiction of the Bureau of Mines extended only to the inspection of mines and to the making of recommendations for the correction of conditions which were deemed to be inimical to safety. The Bureau had no power to enforce its recommendations.

In 1952 Congress enacted certain amendments to the Federal Mine Safety Act. These amendments authorized the Federal inspectors of the Bureau of Mines to close title II mines in which conditions causing imminent danger of explosion, fire, inundation, man trip, or man hoist were found. I might explain that title II mines are defined as those which employ more than 14 miners.

The amended act of 1952 also authorized the Federal inspectors to inspect all coal mines with respect to a number of safety provisions specified in section 209 of the act relating to ventilation, roof support, equipment, explosives, and other matters. If a Federal mine inspector finds a violation of these provisions in title II mines he can direct that the deficiencies be corrected, and if the corrections are not made in the time fixed for their completion an order closing the mine may be issued.

The 1952 amendment to the act provided an exemption from the mandatory powers of the Federal Bureau, to mines

employing 14 or fewer miners. Those mines are called title I mines.

The bill which is being considered today was introduced in its original form by the Senator from Pennsylvania, Mr. Clark, the Senator from Illinois, Mr. Douglas, the junior Senator from Pennsylvania, Mr. Scott, the Senator from Alaska, Mr. Gruening, the late Senator Langer, and other Senators. An identical bill, S. 2930, was introduced in February 1958, by the senior Senator from Pennsylvania and other Senators. The bills were introduced for the purpose of removing the exemption now applicable to the small mines, called title I mines, and of placing them under the jurisdiction of the Bureau of Mines in the Department of the Interior, and to make the now applicable regulations to title II mines applicable also to title I mines.

Records introduced in the hearings show that in 1958 there were operating in the United States in that year 9,374 title I mines, or small mines, and 1,338 title II mines.

It can be asked why there should be any objection to removing the exemption given to title I mines, when the question of the safety of the men who work in the mines is involved. I may say for myself, categorically, that if S. 743 had presented only a question of safety, I would have voted for S. 743 in its original form. But, after the hearings began, it became apparent that other questions were involved. The true question involved is whether it is necessary to ap-

ply all the regulations of section 209 of the Mine Safety Act of 1952 to title I mines, and whether the application of these regulations will contribute to the safety of those who work in the small mines.

Second, if it should be determined that all of the regulations do not contribute to the increased safety of the miners, a serious economic question arises. Would the application of regulations which do not contribute to safety, because of their expense and impossibility of observance in small mines, have the effect of driving small mines out of business and consequently throwing out of work the thousands of miners who work in the small mines?

After a most thorough and deliberate consideration of the bill by the committee over a period of 2 years, the committee decided these were the real issues and that there was justice in these considerations. It did not report S. 743 as introduced, it reported the bill which the Senate is considering today, with the amendments which the distinguished Senator from Pennsylvania has described in some detail.

Because I opposed S. 743 in its original form—and I may say I opposed it vigorously in the committee, as the Senator from Pennsylvania and other committee members know—and because I offered some of the amendments which have been adopted in the pending bill, and joined in offering the other amendments; and because the people of Kentucky, particularly in the eastern section of Kentucky, which is a depressed area, have been much concerned about the effect of this bill and fear that it would close small mines, and lead to larger unemployment, I wish to speak about the issues raised in our deliberations in the committee.

I would like to point out the changes which have taken place in coal mining since World War II. Since World War II, the large coal operators in the United States faced with competition from other fuels—particularly oil and gas—and imports of residual oil have mechanized their mines with modern labor-saving equipment.

The United Mine Workers of America has, I think, with great vision, not opposed mechanization, but has joined with the operators in the mechanization of the large coal mines.

The testimony presented before the committee indicated that the cost of operating and equipping a large mine might run from \$500,000 to \$35 million per mine. In fact, Mr. Ankenny, Director of the Bureau of Mines, testified that he thought about \$10 million would be the cost of opening and equipping a large modern mine.

In order to operate such a mine, a large acreage of coal is required, either under the surface of the ground—and such mines are called shaft mines—or at the base of mountains, where the openings are driven into the sides of the mountains, and such mines are known as drift mines.

Mechanization has, of course, reduced the number of mines, as well as the num-

ber of miners. Through mechanization, the average production of coal per day per man in these large mines has risen to 14 tons, and, in fact, in some of the largest and best equipped mines one man can, with the aid of machinery, produce from 35 to 40 tons a day, contrasted to the 3 to 5 tons a day that a miner using the old-fashioned pick and shovel and auger can produce in a small mine.

As a consequence of mechanization, thousands of coal miners—both members of the United Mine Workers and nonunion miners—have lost their jobs. Unfortunately, thousands of them will never again be able to secure jobs in the large mechanized mines.

In the eastern part of Kentucky, where I live, 60,000 men were employed in the mines before the war, but today less than 30,000 are employed, and these men can produce with modern equipment more coal than was produced by the 60,000 miners who were employed before World War II.

We have talked a great deal about depressed areas. So far as the coal-mining section of Kentucky is concerned—and I am sure this is also true of Pennsylvania and West Virginia—one of the chief causes of depression in the coal-mining areas is that men are out of work because of the mechanization of the large mines and because many of them will never again be able to secure employment in the large mines.

But miners must make a living for themselves and for their families. They have opened the small mines. Sometimes one man will open and operate such a mine, sometimes with the aid of his son or his cousin or other members of his family; or a group of unemployed miners will join together and open and operate a small mine. These small mines have become necessary for the very existence of these men and their families. My concern that these men have a way to make a living for themselves and their families led me to insist that our committee look closely into every consequence of the enactment of Senate bill 743, as it was originally introduced.

There were other factors which had to be taken into consideration. As the Senator from Pennsylvania [Mr. CLARK] stated in his opening remarks, the 1952 amendments to the Mine Safety Act provide an appeal procedure for title II mines, the large mines, when Federal inspectors direct the abatement or correction of conditions in the mines or when mine closing orders, under section 209, are issued. The appeal may be made to the Director of Mine Safety or to the Federal Coal Mine Safety Board of Review, here in Washington.

Review and judgment, which may be a closing order are made here in Washington. The large companies may have sufficient funds to be able to employ counsel, and undertake this complicated and expensive review procedure, as provided by the Federal Mine Safety Act of 1952; but I doubt that many of the small mine operators would have sufficient resources to employ counsel and undertake the long procedure to be able to appeal

from orders rendered against them by Federal inspectors.

I do not know how many Members of the Senate have seen these small mines and seen the men who operate them. Many of them eke out only a bare existence; I know that not many of them would have sufficient funds to be able to follow the complicated and expensive procedures for appeal and review, all the way to Washington. The law reads well; it gives substantive rights of review and appeal. But, practically speaking, when small miners do not have sufficient funds to be able to employ counsel to undertake this complicated procedure, for all practical purposes, the right of appeal is not available to the small mine operators.

I wish to make another point which is important to my State in connection with its consideration of the bill: As I have previously pointed out, the highly mechanized title II mines require large acreages of coal—hundreds or thousands of acres of coal—in order to make possible a return on expensive mechanization. But the small title I mines can be operated on 1 acre, 2 acres, 5 acres, 10 acres, or 50 acres of coal; and often these mines are operated on small plots of land owned by the very men who operate the small mines.

If it were to happen, under Senate bill 743, as originally introduced, or as now proposed, that the act would be administered in such a way as to require expensive changes in the layout of the small mines, without actually contributing to their safety, or if the procedures for review and appeal were to be so complicated and costly as to foreclose actual appeal, and result in the closing of these small mines, then the Federal Government, and, in particular, to the Bureau of Mine Safety, would be arrogating to itself authority to deny many small landowners in the coal-producing States the usual right of recovery of their natural resources, and to those States the opportunity to recover their wealth.

I should like to suggest to the Senate that if it were proposed that the Federal Government be given the power to provide that only large acreages of farmland or timberland, or only large acreages of land which contain natural resources could be developed, and that small areas could never be developed, such a proposal would be defeated overwhelmingly. Frankly, this is not a true analogy to the bill we are now considering; but I say that if this measure were administered in such a way, without contributing to the safety of the workers, as to force these small mines out of business, not only would thousands of miners be forced out of work, but, in addition, the economy of these depressed areas would be ruined. Such a development would be disastrous to every business and every person in the coal-producing areas of Kentucky and other States.

Mr. RANDOLPH. Mr. President, will the Senator from Kentucky yield?

Mr. COOPER. I yield.

Mr. RANDOLPH. However, is it not the intent of the Congress to do just the opposite?

Mr. COOPER. Yes; the committee intends that these small mines shall not be treated unfairly, and I shall make that point.

It is the intent of the Committee on Labor, and I am sure the Senate, that Bureau of Mine Safety and the Director of that Bureau and the Federal inspectors shall not deal arbitrarily or unfairly with these small mines.

Actually, Mr. President, the issue of comparative safety in title I small mines and title II large mines revolved around the statistical evidence produced to the committee by the Bureau of Mines. First, regarding the conditions in mines which lead to major disasters, including explosions, fires, and floods, there is no question that the record of the small mines for safety is much better than that of the large mines.

Mr. Ankeny, Director of the Bureau of Mines, so testified.

The evidence showed that over a period of 5 years a total of 24 men were killed in the small mines, which number seven or eight thousand. While we are, of course, very sorry that 24 were killed in the small mines, it is a fact that over the same period of 5 years in the larger mines many more were killed.

I want to be perfectly fair. The difficult question arose as to safety conditions which are set out under section 209 of the Mine Safety Act. I believe the members of the committee will have to agree that Mr. Ankeny admitted that the statistical evidence from which he drew his conclusions regarding section 209 violations was incomplete. I believe the members of the committee will also agree that Mr. Ankeny brought before the committee, on three different occasions in 1958 and 1959 different statistics regarding violations.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COOPER. Yes, I yield.

Mr. CLARK. I recall that there was before the committee a good deal of discussion about this question relating to accident rates on a man-hour-exposure basis as between the smaller and larger mines, and I agree that the Government figures presented originally did contain some discrepancies and that Mr. Ankeny did have to go back and revise his figures. But will not the Senator from Kentucky agree that when we got all through with the statistical argument, it nonetheless remained very clear that the fatality rate in the smaller mines was at least double the man-hour-exposure rate in larger mines? The figure I have shows 2.15 to 1.

Mr. COOPER. Yes; the last records which were produced by Mr. Ankeny were as the Senator from Pennsylvania has stated. I simply point out that there was a great deal of controversy and uncertainty over the accuracy of the records. Mr. Ankeny admitted they were not fully complete; and the fact that he had to revise them twice, indicated he could not have been too sure about them. The first time he appeared before the committee he presented them as the true statistics. Yet he came back twice with new statistics.



I do not deny that the last time he appeared the records showed, insofar as the section 209 requirements were concerned, that the fatality record for title I mines was greater than for title II mines.

Mr. CLARK. Will the Senator not agree that the conditions under which the large mines are operated would normally tend to make them have a larger major disaster rate than conditions under which smaller mines are operated? For example, large mines are deeper; they have more dangerous mining machinery; and they contain many electrical devices which are apt to trigger explosions. The distinction between the figures on fatalities, which are due to major disasters or to accident-type disasters, is irrelevant to a discussion of the bill, because increasing safety factors across the board is the objective of the legislation. The kind of disaster which occurs far too frequently in smaller mines is due, in many instances, to collapse of the ceilings or walls. They do not have man hoist accidents, for example, because they do not have man hoists or deep shafts.

Would the Senator not agree that we have to take those factors into consideration in weighing the statistics?

Mr. COOPER. Certainly; but we have to look at both sides of the question. It is true that the records show that major disasters have occurred more frequently in the larger mines than in the smaller mines. The entries to a smaller mine may go back into a hill 1,200 or 1,500 feet. But in a large mine there may be miles of entries, many rooms, and complicated equipment, which are more likely to be the scene of major disasters. On the other hand, the fact of the physical differences in the mines should lead the Director of the Bureau of Mine Safety to take these factors into consideration when he determines the regulations applicable to title I mines. For the complicated restrictions are not needed for title I mines, and this the committee has made clear.

I shall make one or two additional points and then I shall close. Other points appeared in the hearings. For example, the State boards have been doing a good job. The Senator will remember the testimony of Mr. Jame Phelan, chief of the Department of Mines and Minerals, Kentucky State Mine Department. He testified, as I remember, that his department made 11,000 inspections of the mines in Kentucky in 1 year. That was more than the Federal Bureau of Mines had made in all the coal-mining States of the United States in a year.

It will have to be considered that when this bill becomes law, if it does, the interest of the State bureaus of mine safety will diminish, because they will have no actual jurisdiction over the small mines. In my opinion, there will be fewer State inspections. As a result, safety conditions may not be improved.

It was further testified by Mr. Ankeny that another factor enters into mine safety—a factor hardly considered—and that is the factor of human error and judgment which miners, as all of us, unfortunately make.

There is another safety factor barely considered—the condition of roof and rib supports.

Several years ago the Bureau of Mines made a safety study. Mr. W. H. Tomlinson, of the Bureau of Mines, who made that study reported the greatest source of accidents came from inadequate roof and rib support. As yet, so far as we know, the Bureau of Mines has not done very much in this field.

In 1958, after we had concluded our hearings on S. 3290—identical to S. 743—the committee voted to report a bill which authorized the Director of the Bureau of Mines to close down mines in cases of imminent danger. It also directed the Bureau to conduct hearings to ascertain the causes of mine accidents, the incidence of fatalities and injuries in title I and title II mines, and to determine the economic effect of the Mine Safety Act of 1952 on small mines, if it should be applied to small mines. It was an amendment which I introduced in the committee, and the committee accepted after hearing all the testimony.

The bill was reported to the Senate unanimously in 1958. But for some reason it was never considered in the Senate.

It is now too late to discuss that bill. I only say that if the bill had been passed in 1958, we would have the information we need today.

I did my best during 2 years in the Committee to secure a fair bill—one that would provide greater safety for miners and yet protect small mines and their miners. As I have already said, the Senator from Pennsylvania and other committee members did the same.

I know I did all that was possible to get a fair bill to protect the little mines, and now I intend to vote for the bill.

The bill contains several amendments which will be helpful amendments which I offered or joined in offering. First, the bill makes it mandatory that the Director of the Bureau of Mine Safety conduct hearings to determine whether the regulations applicable to title II mines would contribute to safety in title I mines. If not, the Director is directed to cancel them so far as title I mines are concerned. It is a directive to draw a code applicable to title I mines—as distinguished from title II mines. I hope the Director of Mine Safety will consider this to be his duty under the bill. He has no alternative other than to consider it his duty—a duty directed by the Committee on Labor and the Congress, if this bill becomes law.

A second amendment to the bill provides, in the case of a small mine operator, that when an order for the abatement of an unsafe condition is made by a Federal inspector a hearing shall be held in the county in which the mine is located. This will be helpful to the small miner, and will enable him to secure a hearing at home.

Third, if a Federal inspector finds under section 209 a condition in a mine employing eight or fewer miners should be abated, the small mine operator may appeal from the finding before the mine is closed. This provision will be helpful

to the small mine operator, as he can keep his mine open while the appeal is heard.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. CLARK. I am happy indeed my good friend from Kentucky is going to vote for the bill. The form in which the bill is now presented is a reflection of the hard work the Senator did.

A moment or two ago the Senator from Kentucky referred to the relationship between the State mine inspectors and the Federal mine inspectors. I recall very well the very able gentleman from Kentucky who came before the committee and testified concerning the large number of inspections made.

I invite my friend's attention, however, to the relationship, generally speaking, between State inspectors and Federal inspectors, which has been good. There is a telegram in the record, at page 247, dated January 28, 1959, from Joseph T. Kennedy, Secretary of Mines and Mineral Industries for the Commonwealth of Pennsylvania, which asserts his support of the bill, and indicates that the coal miners working in the small coal mines would be helped by Federal cooperation. As a State official, he hopes the bill will pass.

Mr. COOPER. I remember that statement.

Mr. CLARK. Mr. President, I ask unanimous consent that the telegram be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HARRISBURG, Pa., January 28, 1959.

HON. JOSEPH S. CLARK,  
U.S. Senate Building,  
Washington, D.C.:

The Pennsylvania Department of Mines and Mineral Industries is in favor of the removal of the exemption in title I of the Federal Coal Mine Safety Act. We believe that all safety rules and regulations should apply to smaller mines as well as to other mines. Federal cooperation in the promotion of safety for the coal miner working in the small coal mines would be well received by us. Your assistance in this matter will be appreciated.

JOSEPH T. KENNEDY,  
Secretary of Mines and Mineral Industries.

Mr. COOPER. The fourth amendment in the bill provides that in case a Federal inspector finds a condition of imminent danger and makes a decision to close the mine, the mine operator, even though a State plan may not have been adopted, may ask for a State inspector to also examine the mine. If there is disagreement between the Federal inspector and the State inspector, then a request can be made for an independent inspector to be appointed by the district judge of the Federal court in the district in which the mine is located. On the whole, as I have said, these amendments have given us a much better bill than the bill which was originally introduced.

I repeat, if it had been correct that S. 743, as originally introduced, involved only a question of mine safety, a question affecting the safety of the men who work in the mines, I would have voted

for it even though it would have meant the closing of some small mines, because the lives of the people who work in mines are more important than the material things which may be at stake. However, when it became clear that the regulations, now contained in the Federal Mine Safety Act and applicable to title I mines would not necessarily contribute to the safety of the men who work in these small mines but might close down small mines and put miners out of work, then these economic factors had to be taken into consideration.

I come from a State directly involved. We have had depressed conditions in the coal mine areas of eastern Kentucky for years.

I wanted to be sure that this bill, or at least as introduced, would not extend the depression in the coal mining areas of Kentucky and other States—that it would not put the small mines out of business, miners out of work, and hurt every business and person in these areas.

I earnestly hope that if this bill is passed, the Director of the Bureau of Mines will take into cognizance the concern and intent of the committee and the Congress about these matters, as he administers the bill. I earnestly hope the Director will not act arbitrarily, and close down small mines in my State and in other States unless it is necessary for safety. If he does so he will put out of business little mines. He would bring unemployment to thousands of coal miners who depend on these small mines for their living, and for the living of their families and their children.

I again thank the members of the committee for their thorough and careful consideration of the bill.

Mr. THURMOND, Mr. MOSS, and Mr. RANDOLPH addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I am opposed to passage of the bill because it would extend the long arm of the Federal Government into the States again. It seems that nearly three-fourths or more of the bills which come before the Congress are bills to extend the power of the Federal Government.

When the mine safety bill was passed a few years ago the little mines, those employing no more than 14 people, were exempt. Those mines have been under the jurisdiction of the States. Now an attempt is being made to change the provisions, to take the power away from the States and to bring it to Washington, D.C., to the Federal Government.

Mr. President, every week, every month, every year, we are building up more power in Washington, D.C.

Another reason why I am opposed to passage of the bill I think can be brought out from the testimony at the time I was a member of the Committee on Labor and Public Welfare, as shown beginning on page 218 of the hearings on S. 743, S. 1562, and S. 2403, dated July 21, 22, and 24, 1959. The following colloquy took place:

Senator THURMOND. I have in my hand a table of accident data prepared by the U.S. Bureau of Mines, on March 27, 1958.

Mr. ANKENY. Is that in the hearings?

Senator THURMOND. It is given on page 90 of the hearings on this bill. I believe that Public Law 552 which is the law giving the Federal Bureau of Mines the power to enforce safety regulations was passed in 1952, was it not?

Mr. ANKENY. That is correct.

Senator THURMOND. And in 1952 according to these figures, and if they are not right I would like for you to say so, fatal accidents were 0.88.

Mr. ANKENY. Yes.

Senator THURMOND. You have a copy of those figures there before you?

Mr. ANKENY. Yes. That is frequency rates; yes, sir.

Senator THURMOND. Of fatal accidents?

Mr. ANKENY. Yes, sir.

Senator THURMOND. In 1953, 0.85.

Mr. ANKENY. Yes.

Senator THURMOND. And in 1954, 0.96.

Mr. ANKENY. Yes.

Senator THURMOND. And in 1955, 0.88.

Mr. ANKENY. Yes.

Senator THURMOND. In 1956, 0.99.

Now isn't it true that since the passage of this act the fatal accident rate per million hours of exposure in title II bituminous mines has increased in spite of the efforts of the Federal Bureau of Mines and the United Mine Workers and the coal operators and the others?

Mr. ANKENY. You mean—

Senator THURMOND. I am asking you that question.

Mr. ANKENY. If they have increased?

Senator THURMOND. Is it not true that the fatal accident rate per million hours of exposure in title II bituminous mines has increased since the passage of Public Law 552?

Mr. ANKENY. No, sir; that is not true.

Senator THURMOND. Then are these figures wrong I have just read to you?

Mr. ANKENY. No; these figures are correct, I believe.

Senator THURMOND. Well, if these figures are right—let us go over them again.

Mr. ANKENY. All right.

Senator THURMOND. In 1952 the figure was 0.88; and in 1953, 0.85, which is a decrease that year and the only year since the act went into effect.

In 1954 it was 0.96; and in 1955, 0.88; and in 1956, 0.99.

Do not these figures show an increase in percentages for each year since Public Law 552 went into effect except the 1 year, 1953, right after the act was passed?

Mr. ANKENY. Yes, sir; they do, but that is not what you asked me the other time.

Senator THURMOND. Well, what do they indicate, then?

Mr. ANKENY. Well, they indicate to me—the figures, in the first place, are not complete, but if you compare the record of mine accidents from 1952 since the act was passed with the previous record of a similar length of time, it would show that they have decreased, not increased.

Senator THURMOND. Well, percentage-wise these figures show an increase except for 1 year.

Mr. ANKENY. From year to year they show an increase except for 1 year, that is correct.

Senator THURMOND. Since the passage of Public Law 552 in 1952.

Mr. ANKENY. Yes, sir; that is correct.

That shows that even since the Federal law was enacted, supposedly on the theory of providing safety, the accident rate has increased every year except one. So who has done the best job—the Federal Government or the States? The figures speak for themselves. They show that the States have done a good job. They show that the accident rate has increased since this activity has been under the Federal Government.

I believe that the pending bill is being pushed by certain groups for certain purposes, and that the real intent is not safety. I am as much in favor of safety as anyone else. I am in favor of protecting the mine workers. But what Congress will do if it does not watch out is to close the small mines. When we have Federal regulation and Federal regimentation in every phase of life, we can expect trouble in the end, because we know that the more Federal regulation there is, the more Federal regimentation there is, the more the cost of living will go up, the more inspectors there will be, the more Government employees there will be, the more retirement there will be, and the more overhead expense there will be.

In the end, whom does it come out of? It comes out of the taxpayers, and it will come out of the small mine workers, as well as everyone else.

The small mines are not in a position to pay the large overhead and compete with large mines. When the Congress enacted the law in 1952, I presume it had in mind that it wanted to exempt the small mines from Federal regulation, because they could not afford to stand the additional expense.

I think it would be a great mistake, from an economic standpoint, from the standpoint of the welfare of the country, and from the standpoint of the employees in the small mines, who would stand a chance in the future of losing their jobs altogether, to pass the pending bill. As I mentioned when I started to speak, the bill would increase the power of the Federal Government to take over certain mines that are now under the jurisdiction of the States.

#### VISIT TO THE SENATE BY THE GOVERNOR OF HAWAII

Mr. FONG. Mr. President, I am very happy to present to the Senate the Governor of the State of Hawaii, who is performing an outstanding public service in the new State of Hawaii, which will become one of the greatest States of the Union. I present Gov. William F. Quinn.

Mr. KEATING. Governor Quinn was born in my part of the State of New York. Later he moved to St. Louis. As a result, it is sometimes said that he comes from St. Louis. However, he is not like a man I have heard about who was born in one city and then moved to another, and each city claimed that the other city was his closest affiliation. In this case we are very proud that the city of Rochester has produced such a distinguished citizen as Governor Quinn.

I have visited Hawaii and enjoyed its hospitality. I strongly urge all of my colleagues in the Senate to visit Hawaii. I also know of the magnificent work Governor Quinn is doing in our newest State, and I am pleased to welcome him here today.

Mr. COOPER. I am sure that all of us are very happy to have the Governor of our newest State visit us in the Senate. I am also sure that everything that has been said about his work as Governor is correct. I am proud to welcome him to the Senate Chamber. I may say to him



that we are also very proud of the Senators Hawaii has sent to us here.

Mr. FONG. I am deeply thankful to my colleagues for their extremely kind remarks. I know that any Member of the Senate who will visit Hawaii will receive a fine Hawaiian aloha.

#### AMENDMENT TO FEDERAL COAL MINE SAFETY ACT

The Senate resumed the consideration of the bill (S. 743) to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals.

Mr. CLARK. Mr. President, I ask for the third reading of the bill.

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair). The question is on agreeing to the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, and was read the third time.

Mr. RANDOLPH. Mr. President, the measure now before us in this forum is essential legislation when considered in the context of respect for human life. I am one of the Senators from the State of West Virginia, in which bituminous coal mining is a dominant industry, even though it supplies much less employment now than it did prior to the acceleration of technological changes in our methods of production. Nonetheless, the coal industry is an essential one in the pattern of West Virginia's economy, and, indeed, in the structure of our national security, especially at this time of an uneasy truce in conflicts of a worldwide nature, and necessarily in the actual prosecution of any war in which this Republic and its people should be engaged.

Even though mining is a hazardous occupation, we must not only hope but we must strive for the time when there will be no fatalities in these operations.

So, today, it is not only appropriate that we consider this proposed legislation, but it is also the responsibility of the membership of the Senate very earnestly to consider the provisions which are contained in S. 743.

Mine safety is a battle which must be fought constantly by all who are concerned. There is no cutoff point for those who are concerned with the safety and the well-being of the miners of our country. It is important, of course, to our coal miners, and to our producers and to the State departments of mines, which have been mentioned today. I do not speak in disparagement of the work that has been done and is being done by State departments of mines. I am only saying that in this area of mine safety there is a very natural compact which has come about between State departments of mines and the Federal Bureau of Mines through the administration of the Federal Coal Mine Safety Act from its inception and its amendment, until today we face our responsibility again. It is a problem, of course, of the State

legislative bodies, too. In the Commonwealth of Pennsylvania and in West Virginia and in Kentucky and in other coal mining areas of this Nation we have come to grips with this problem, and we have attempted, sometimes by a drastic approach, and at other times by a more considerate approach, to reach the time when the safety of the miners themselves will be served best.

Mr. President, I add once again that it is the responsibility of Congress and of all Members of this forum today to act in what I believe to be a necessary and positive way on this subject.

#### EVERY MINER ENTITLED TO PROTECTION

Every man—and I emphasize the words "every man"—who toils beneath the surface of the earth needs and is entitled to full protection from all sources. I say in no disparagement of the speeches which I heard earlier today in this Chamber that there is an indication of what I believe to be a very cautious attitude—frankly, an attitude which I believe is not well founded. When the Federal Government seems to indicate, through laws which are passed by Congress and administered by agencies, that there is concern for a problem of this type, we are alleged to be delving, as it were, into fields which the Federal Government should not enter. I do not agree with this viewpoint.

This is not a new advocacy on my part, because when I was privileged to have the responsibility of serving in the House of Representatives, I was a militant supporter of mine safety. I believe it appropriate at this point to say for the Record that Senator Matthew Mansfield Neely, who served so effectively in this body over a long period of years—and there are Senators here today who remember his service—carried forward most zealously his efforts in behalf of mine safety, not in the fifties, not in the forties, but in the thirties, when this was a subject for necessary action in the Congress.

Mr. President, when I served in the House of Representatives as a member of the Mines and Mining Committee, I was the chairman of the Subcommittee on Coal. Because of studies which I made, I came to wholeheartedly support the passage of what we thought at the time as being a comprehensive mine safety bill.

It is a matter of record that the coal industry, in the period before enactment of effective mine safety legislation, counted its injuries in five figures, and its fatalities at more than 2,500 in a single year. The fatalities for the year 1957, as an example of the positive impact of a Federal safety law, had dropped from the figure I gave to 452, and in 1959 to less than 360, according to information which I believe to be correct.

But in spite of gratification which we as Senators may feel concerning the decline in fatalities, and in spite of my personal satisfaction at having been a supporter of the original mine safety measures at the Federal level, I declare emphatically that 360 coal mine fatalities in a period of 12 months constitute too many deaths for this industry—or,

in fact, for any industry. We must erect proper safeguards around those who toil within its operation.

#### ARGUMENTS AGAINST FEDERAL ACTION OVERCOME

I remember well the principal arguments—fallacious, I believe—which were used against the passage of the original mine safety bill. I have heard them made again today on the floor of the Senate by those who oppose the pending measure. Doubtless other Senators likewise are hearing that "It is too costly"; that "we cannot afford to do all the things the Federal law requires"; that "we will have to shutdown operations and put men out of work"; or, the oldest of all, namely, that "our State examinations are sufficient, and Federal examination is unnecessary duplication."

It is a well-established fact, despite the forecast years ago that the mines would forever close if the originally proposed mine safety bill became law, the more safely engineered, efficient, well-managed mines have not ceased to operate and to produce.

We know that State examinations were not, in themselves, adequate safety expedients for the miners and the producers alike.

We are aware, too, that Federal examiners, having power to close unsafe mines, did bring more safety to mining operations and communities throughout the coal-producing areas. Comparative fatality and injury statistics speak effectively and factually in this respect.

When the original mine safety legislation was enacted, it was anticipated that the fact a Federal inspector might be making an appearance at any mine, anywhere, at any time, would tend to keep the State inspectors more alert to the need of facing up to their duties and to do their utmost to halt violations of safety standards.

So there was an awareness then, and there still is, in some instances, that perhaps there was too much laxness and neglect in the matter of State inspections in those earlier days. In the State of West Virginia, marked improvement has been shown.

These factors—but mostly the indisputable excessiveness of injury and death in the mines—brought about the passage of the Federal Mine Safety Act.

#### FEDERAL INSPECTION PRINCIPLE NOT NEW

It is right and proper that there should be Federal inspection of mines. That principle was not established yesterday; it was established years ago. I cannot detect proper reasoning in any provision for safety measures which limits the extension of Government protection to men who accept work in mines employing more than 14 employees, and withhold the same protection to employees of mines in the same neighborhood—or, for that matter, in other communities—which employ 14 or fewer men.

Why should a mine on one side of a road, and employing 14 or more men, have to be kept in a safe condition under Federal and State law, while a mine on the other side, which hires 14 or fewer employees, completely escape the neces-

sity of having the same Federal law enforced with respect to its operations?

The answer to such a question is obvious, namely, that all miners should be entitled to equal protection against unsafe work conditions.

I share the sentiment stated by the distinguished senior Senator from Kentucky [Mr. COOPER]. He expressed a genuine concern that nothing we will do here today might seem to compound or even to initiate any hardship of operation—and I hope successful operation—of the mines of the country.

We in West Virginia are conscious of the contribution which has been made to our economy by the operators and the workers within the smaller mines. We are conscious of the value of that type of small business in our economy.

But there is a safeguard in existing mine law against arbitrary or illegal orders which might erroneously be issued by any Federal inspector of the U.S. Bureau of Mines. The bill, as I hope it will be passed today, does not disturb the appeal section, to which mine operators may properly resort; in fact, by the changes wrought by amendments, it has been strengthened.

I speak with feeling on this subject, because I believe the proposed legislation is in the public interest and will provide a greater degree of safety for the men who labor within the coal mines. I trust that it will become the law of the land.

Mr. KENNEDY. Mr. President, the passage of the mine safety bill will mark an important step forward in safeguarding the lives and the health of the courageous men who work in the Nation's mines.

I was chairman of the subcommittee from which this bill came. The bill was pushed with extreme vigor by the distinguished Senator from Pennsylvania [Mr. CLARK]. He was joined by a member of the Subcommittee on Labor, the distinguished senior Senator from West Virginia [Mr. RANDOLPH], who has just spoken.

The harsh fact of the matter is that the fatality rate in the small mines—to which the bill extends Federal protection and Federal standards—is twice the fatality rate in the larger mines, which are now covered by Federal legislation.

I am confident that the passage of this badly needed legislation will greatly lower the high accident rate and will help to assure the physical safety of thousands of the Nation's miners. There is no more hazardous or demanding labor than the work of those who toil in our mines.

I had the opportunity to visit a coal mine yesterday. I must say that after visiting it and talking with the men who worked in it, I believe more than ever that the proposed legislation is in the public interest. I hope the Senate will act favorably on the bill. I think such legislation is overdue.

Mr. BYRD of Virginia. Mr. President, I am sure there is not a man alive who does not wish devoutly for the absolute maximum of safety in all coal mining operations.

In this late day of enlightenment, I do not believe we can accuse anyone of deliberately failing to take necessary, appropriate, and feasible precautions against such accidents as happen in mines.

Coal mining is a substantial industry in Virginia. As a World War I fuel administrator, as a former Governor of Virginia, and as Senator from Virginia, I think I am qualified to discuss coal-mine safety legislation. This long study and experience have led me to the conclusion that complete mine safety cannot be legislated any more than other kinds of accident prevention.

Individual consciousness for safety precaution developed through continuing education and warning is the most effective deterrent to accidents. Two bills—S. 2403 and S. 1562—have been introduced in the Senate at this session to promote Federal participation in this constructive approach. But instead of these bills, we have before us the provisions of a third bill, S. 743.

As introduced, Senate bill 743 would have the effect of trying to legislate coal mine safety in small mines, now under State supervision, which cannot possibly conform to the Federal requirements it would force upon them.

The committee has modified slightly the original provisions; but as the bill is now before the Senate, it is definitely a foot in the door which may lead to the destruction of the small coal mine industry.

Under present coal mine safety law, Federal regulations are applied to big coal mine operations, which are referred to as title II mines. The regulation, inspection, and so forth, of small mines, now defined as mines employing 14 men or less, and referred to as title I mines, are left to State jurisdiction.

The provisions of Senate bill 743, as introduced, would put the so-called title I small truck mines employing 14 men or less under the same complex Federal regulations which govern the biggest coal mine operations in the world.

The committee has modified slightly these original provisions, and would set up a new class of mines for those employing less than eight persons underground, but I doubt that the ultimate effect would be very much of a change.

The title I small mines are, in fact, under more appropriate and better State inspection and regulation than that which could be provided under a Federal law designed primarily for application to big operations.

I assert that Virginia can better take care, within the State, of the safety requirements, enforcement and inspection for small truck mines than the Federal Government could.

In making this statement, I rely not only on my own experience and study, but also on the testimony of Mr. J. B. Taggart, whom I have known and admired for many years. Mr. Taggart has been in the coal-mining business for a lifetime. On July 22, he appeared before the Senate Labor and Public Welfare Committee as a special representative of the Governor of Virginia and of the commissioner of the State department

of labor and industry. Mr. Taggart supported Senate bills 2403 and 1562 as proposed legislation which definitely could serve the purposes of small-mine safety and individual education of miners in terms of mine safety. Federal legislation such as that proposed in those bills is supported by all of the small-mine industry. But it is opposed by segments of the big-mine industry and the mine union.

The whole small-mine industry has opposed the provisions of S. 743, as introduced; and I think the provisions of the bill as recently reported by the committee represent little improvement.

Mr. Taggart in his testimony before the committee said Senate bill 743 not only would impede the efforts of States for safety in small mines, but also would harass, if not eliminate, the small coal mines in the United States.

These small-mine operations actually make a tremendous contribution to the economy of the Nation. They are employing some 30,000 to 40,000 miners. Many of them have been displaced from their jobs in big mines, by mechanization. In addition, these small mines are salvaging from our natural resources from 40 million to 50 million tons of coal a year which otherwise would be lost.

This proposal to extend Federal mine safety laws and regulations to small mines is put forth in the name of mine safety. On the surface, this presumes that extension of Federal jurisdiction will improve the safety record in these truck-mines.

I personally have looked into the statistical data available from the Federal Bureau of Mines; and I submit that they are neither adequate nor sufficiently accurate to be used as the basis for legislation.

I am supported in this conclusion by an exhaustive study conducted by Mr. Taggart and Mr. B. F. Reed, whose qualifications and reputation are beyond reproach. Both men have spent a lifetime in the coal-mining industry, and they have spent much time and money in the development of the record for the title I coal mine industry. They have gone to the sources of the very best information available.

On the record, both of these gentlemen dispute the Bureau of Mines figures on title I mines. They have challenged the figures in formal communications to the Department of Interior; and they have challenged the accuracy of the Bureau figures, before the Senate Committee on Labor and Public Welfare.

Their facts and figures have not been denied. On the contrary, the inadequacy of the Federal reporting on small mines has been conceded.

On last July 20, Mr. Elmer F. Bennett, Acting Secretary of the Interior said the Department preferred Senate bill 2403, providing for a survey and study of conditions in these small mines.

The Director of the Bureau of Mines, under cross-examination by the Senator from Kentucky [Mr. COOPER], in the Labor and Public Welfare Committee hearings this year, admitted that the Federal Bureau does not have correct



figures on employment, production, hours of exposure, or non-fatal accidents in title I mines. In fact, he conceded that the Federal figures were, at best, no better than 80 percent correct.

Frankly, from my observations there are vast differences in conditions and types of operations as between title I and title II mines; and these differences must be taken into account in making any comparison of records. We have no objection to the enactment of legislation which will provide for proper and adequate development of these facts by the Bureau of Mines, under Senate bill 1562, or by an independent commission, under Senate bill 2403, as the Interior Department proposes.

But I submit that the putting of small coal mines out of business by making an extension to them of complex Federal law and regulations cannot be justified. It certainly cannot be justified by the kind of facts and figures produced to date by the Bureau of Mines.

Mr. President, the pending bill has now been improved to some extent by means of the adoption of an amendment which was submitted by the Senator from Kentucky [Mr. COOPER]; and I am a cosponsor of the amendment. The amendment is on page 2, in line 3, and it reads as follows:

The Director (of the Bureau of Mines) may, by regulation, establish, after reasonable notice and opportunity for hearing to interested parties, modify or make inapplicable any provision, or part thereof, of section 209 (of the Federal mine safety law) which he finds, after hearings, do not substantially contribute to the safety of men working in small mines.

This provision is broad and far reaching. It would give the Director of the Bureau of Mines the power to decide whether an act of Congress should be applied. It would be applied solely at his discretion.

It could develop that one Director would determine that the law should be applied, and the next Director should hold that it should not be applied. The confusion would be insufferable.

This amendment simply changes the word "may" to the word "shall." That change will result in some improvement of this bill. The amendment would make it mandatory for the Director of the Bureau of Mines to modify or make inapplicable any provisions of the Federal mine safety law found to be unnecessary for small mines.

However, Mr. President, even with this amendment added to the bill, I am opposed to the pending bill.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. JOHNSON of Texas. Mr. President, today the Senate is taking a historic step to further protect the lives of the miners who toil underground in our coal mines.

In passing this bill we know that the same protection which is now granted to men working in large mines will be extended to those working in mines employing 14 or fewer miners.

We hope that disasters such as those which happened in Maryland on April 11 and in Kentucky on the same day at almost the same hour will be prevented.

In these disasters three men in each mine lost their lives because of a roof fall or cave-in. This may seem to be a small number of men, but it is all that were working in each mine. If there had been 25 or 50 men, they would all have been killed.

The bill now pending not only extends the protection of Federal safety inspection to small mines, but it also provides for easier appeals from the rulings of Federal inspectors by small mine operators to the appropriate administrative agency, and it specifically provides that employers operating small mines may have the Federal Coal Mine Safety Board of Review come to the immediate area where the mine is being operated and hold a hearing on an appeal in the county seat of the county in which the mine is located. Thus, the operator of a small mine will not be forced into an expensive procedure which would require him to go to Washington to present his case.

I repeat, Mr. President, that, in my opinion, the Senate is taking important action to protect the lives of coal miners in approving S. 743.

I express my appreciation to the author of the bill, the Senator from Pennsylvania [Mr. CLARK], and every Senator who supported it, and particularly the able occupant of the chair, the Senator from West Virginia [Mr. BYRD], and the senior Senator from West Virginia [Mr. RANDOLPH], for the contributions they have made in this debate. They have talked to me a number of times about the desirability for this type of legislation, and it is on their recommendation that the measure is before the Senate.

Mr. President, I ask that the yeas and nays be ordered on the passage of the bill.

The yeas and nays were ordered.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a statement by my colleague [Mr. MORTON], who is unavoidably absent on official business.

My colleague has been very much interested in this legislation. He has been much concerned lest Senate bill 743, as originally introduced, might put many small mines out of business and throw out of employment many miners in such mines. My colleague has worked hard to obtain the amendments now in the bill, which, while insuring safety to miners, give greater protection to the small mines.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### STATEMENT BY SENATOR MORTON

I know of no group of men more deserving of our respect and admiration than the coal miners of our Nation. Theirs is the unspectacular task of extracting from the earth a valuable energy resource of incalculable benefit to our national economy.

Coal mining is usually done under conditions of extreme hazard which constantly subject the miners to a high degree of personal risk. The industry has clearly recognized this hazard, and in order to secure the safety of its employees has done everything possible to maintain the safest possible working conditions.

This safety-minded and safety-conscious industry is constantly striving to reduce all accidents, whether fatal or nonfatal, through aggressive programs of education, promotion, demonstration and enforcement. The miners certainly are entitled to personal security from harm, and I certainly would be the last person to oppose any legislation which the miners themselves felt would give them a greater measure of protection from death or personal injury.

I think that the experience of recent years, in our study of the situation brought to focus by S. 743 of the 86th Congress and identical legislation during the 85th Congress, has demonstrated that mine safety is not a clear-cut issue. One would assume that since it involves mine safety that all miners would rally around the cause. This has not been the case.

When Congress enacted legislation during the 82d Congress as a basis to prevent coal mine disasters, mines employing 14 or fewer employees underground were exempt from the mandatory compliance provisions of the law. The mining industry usually refers to these operations as title I mines, and to those with 15 or more employees as title II.

The original intent of S. 743 simply repealed the title I exemption, but the Committee on Labor and Public Welfare, I feel, acted wisely and prudently in amending the bill in the form reported to the Senate. Although the exemption repealer is still in the bill, the provisions for appeal from an inspector's finding prior to closing down a mine have minimized the fears of the title I operators.

I would also like to commend the Senator from Pennsylvania [Mr. CLARK] for the understanding he has displayed of our problem and for his accepting our amendment concerning modification or nullification of section 209 provisions not applicable to improving safety conditions in the small mines.

Although the bill is now much more palatable to the small mine operators and their employees, they still firmly contend that S. 743 will not contribute materially to their safety. They see only one purpose in S. 743, and that is to force them out of business.

The issue of mine safety from the legislative point of view is not a simple one. It is, to the contrary, complex and controversial, and I would like to emphasize to my colleagues that S. 743 draws its major support from those who do not need it and is vigorously opposed by those it allegedly would help.

The national coal wage agreement between the United Mine Workers of America and signatory operators provides for the enforcement of safety regulations far more stringent than the Federal Coal Mine Safety Act. The union-company contracts incorporate the entire Federal Coal Mine Safety Code, which includes all of the provisions of the Federal law and many more.

The safety provisions are enforceable on all unionized mines, whether title I or title II, and it must logically follow that enactment of S. 743 will in no way whatsoever increase the safety security of miners working in these mines. Yet, the United Mine Workers union is the most vocal of all groups supporting the Clark bill. While I agree with the UMW that our miners should have the safest possible working conditions, I cannot believe that its intentions are motivated strictly by paternalistic sympathy for thousands of miners it does not control.

There is undivided sentiment among the small mine operators that mine safety legislation is nothing more than an economic club to pound them out of existence. I have heard this assertion time and time again from gentlemen of intelligence and integrity whose entire lives have been spent mining coal, and I respect their judgment and opinions. I had hoped that before considering any legislation in this area and in view of the

conflict that we might have had the benefit of a thorough investigation of the safety and economic factors before undertaking any changes in the present law.

The coal mining industry has undergone quite an upheaval during the past 15 years, and the complicated situation in which we find ourselves today stems directly from that upheaval. In order to adjust itself, strictly as a matter of survival, to the loss of markets and to remain competitive in the fuels market, the industry turned to mechanization. Thousands of miners were displaced by machinery, and as they were forced from their jobs they turned to the small mines to continue the only occupation they have ever known.

The mines in Kentucky employ, on the average, from four to six employees. The capital required to open a small mine, usually on leased acreage, is very small. In many instances, the mines are strictly family operations. The small mine industry is an integral component of the economic structure of the Kentucky coal fields. In community after community, income derived from the small mines is the only source of income. The thousands of small mine employees are earning a living at jobs which keep them off the welfare list. They are responsible citizens in their communities, and I shudder to think what would have happened in the eastern Kentucky coal belt, already economically depressed, had it not been for the small mines.

The small mine operators are as concerned for the safety of their employees as the larger operators. Mine safety to them is personal and very realistic because in many mines they work shoulder to shoulder with other miners. They sincerely challenge the claim that Senate 743 will give them greater safety, and genuinely fear that should they be required to install expensive equipment to abate a disaster-type condition there will be no alternative but to cease operation.

The operating conditions in most title I mines are totally unlike those in title II operations. The mines are shallow, not deep; they do not have a large concentration of men at points of greatest peril; they do not experience the machine noise and dust which dull perceptory senses; they are not exposed to the constant danger of moving machinery.

I was a member of the House Committee on Labor and Education during the 82d Congress which considered H.R. 7408, later enacted as Public Law 552. In our report we made an unmistakable distinction between major disasters and ordinary day-to-day accidents. Public Law 552 is not a law enacted, nor was it intended, to reduce, control or eliminate the day-to-day type of accidents which account for the majority of all coal mine fatalities. We made it clear that Federal authority was restricted to major disasters, reserving the responsibility for controlling day-to-day accidents to the States. Subsequently, the Department of the Interior in 1954 urged greater Federal-State cooperation to bring State standards up to Federal levels, the sole purpose being the gradual withdrawal of Federal inspection from the inspection field. I feel that S. 743 will only lead to further Federal intrusion into strictly a State matter.

The title I exemption was granted in 1952 only after careful and intensive consideration. The danger of major disasters in small mines is negligible, and the Bureau of Mines admitted at the time that full enforcement among thousands of isolated mines would present a tremendous task.

I want to make it clear that the small mine industry is not opposing mine safety. If they thought remedial legislation were needed they assuredly would be the first to ask for it. I feel that Public Law 552 has done an excellent job in the major disaster prevention field, and yet disasters still occur in our mines. This is probably due

to a great extent to the revolutionary changes we have seen in mining technology since the law was enacted. I hope that if S. 743 is enacted into law, that those empowered with its enforcement will administer it with the sole idea of improving mine safety and not for the purpose of shutting down the small mines, as many have feared will be the consequence.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Alaska [Mr. GRUENING], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Alaska [Mr. GRUENING], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL], the Senator from Utah [Mr. BENNETT], the Senator from Kentucky [Mr. MORTON], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from New York [Mr. JAVITS] is absent by leave of the Senate to attend as Chairman of the Economic Committee a meeting of the NATO Parliamentary Conference at Strasbourg, France.

If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from Utah [Mr. BENNETT], the Senator from New York [Mr. JAVITS], the Senator from Kentucky [Mr. MORTON], and the Senator from Delaware [Mr. WILLIAMS] would each vote "yea."

The result was announced—yeas 80, nays 4, as follows:

[No. 166]

YEAS—80

Alken  
Allott

Bartlett  
Bible

Bridges  
Brunsdale

Bush  
Butler  
Byrd, W. Va.  
Cannon  
Capehart  
Carlson  
Carroll  
Case, N.J.  
Case, S. Dak.  
Church  
Clark  
Cooper  
Cotton  
Curtis  
Dirksen  
Dodd  
Douglas  
Dworshak  
Eastland  
Ellender  
Engle  
Ervin  
Fong  
Frear  
Fulbright

Goldwater  
Gore  
Hart  
Hartke  
Hayden  
Hennings  
Hickenlooper  
Hill  
Holland  
Hruska  
Humphrey  
Jackson  
Johnson, Tex.  
Johnston, S.C.  
Jordan  
Keating  
Kefauver  
Kennedy  
Kerr  
Kuchel  
Long, Hawaii  
Lusk  
McCarthy  
McClellan  
McGee

McNamara  
Magnuson  
Mansfield  
Martin  
Monroney  
Moss  
Mundt  
Murray  
Muskie  
Pastore  
Prouty  
Proxmire  
Randolph  
Saltonstall  
Schoeppel  
Scott  
Smathers  
Smith  
Talmadge  
Wiley  
Williams, N.J.  
Yarborough  
Young, N. Dak.  
Young, Ohio

NAYS—4

Byrd, Va.  
Robertson

Stennis

Thurmond

NOT VOTING—16

Anderson  
Beall  
Bennett  
Chavez  
Green  
Gruening

Javits  
Lausche  
Long, La.  
Morse  
Morton  
O'Mahoney

Russell  
Sparkman  
Symington  
Williams, Del.

So the bill (S. 743) was passed.

Mr. CLARK. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. RANDOLPH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

#### AMENDMENT OF MUTUAL SECURITY ACT OF 1954

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1319, S. 3058, and I invite the attention of the Senator from Arkansas to this request.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3058) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment, to strike out all after the enacting clause and insert:

That this Act may be cited as the "Mutual Security Act of 1960".

#### CHAPTER I—MILITARY ASSISTANCE

##### Military assistance

SEC. 101. Chapter I of the Mutual Security Act of 1954, as amended, which relates to military assistance, is amended as follows:

(a) In section 103, which relates to authorizations, insert the following new subsection (d):

"(d) The value of programs of equipment and materials for American Republics, pursuant to any authority contained in this chapter other than section 106, in any fiscal year beginning with the fiscal year 1961, shall not exceed \$55,000,000. For the purposes of this subsection, the value of non-excess equipment and materials shall be as defined in section 545(h) of this Act, and the value of excess equipment and materials (as excess is defined in section 545(h))



of this Act) shall mean the acquisition cost to the Armed Forces of the United States of such equipment and materials."

(b) In section 105(b)(4), which relates to conditions applicable to military assistance, strike out the last sentence.

#### CHAPTER II—ECONOMIC ASSISTANCE

##### Defense support

Sec. 201. Title I of chapter II of the Mutual Security Act of 1954, as amended, which relates to defense support, is amended as follows:

(a) In section 131(b), which relates to general authority, strike out "1960" and "\$751,000,000" and substitute "1961" and "\$700,000,000", respectively.

(b) In section 141, which relates to conditions of eligibility for assistance, strike out "No such assistance" in the second sentence and substitute "No defense support or military equipment and materials".

(c) In section 142(a), which relates to agreements, strike out "No assistance" in the introductory clause and substitute "No defense support or military equipment and materials".

##### Development Loan Fund

Sec. 202. Title II of chapter II of the Mutual Security Act of 1954, as amended, which relates to the Development Loan Fund, is amended as follows:

(a) Amend section 201, which states the purposes of the Development Loan Fund, as follows:

(1) In the last sentence, after "to develop their economic resources" insert "and free economic institutions", and after "to increase their productive capabilities" insert "in agriculture as well as in industry".

(2) At the end of the section, add the following new sentences: "The Congress recognizes that the accomplishment of the purposes of this title in rapidly developing countries requires the development of free economic institutions and the stimulation of private investment, local as well as foreign, in the field of housing. It is the sense of the Congress that, consistent with the other purposes of this title, special consideration should be given to loans and guarantees to stimulate activities in this field."

(b) In clause (3) of the first sentence of section 202(b) insert "or free economic institutions" after "economic resources".

(c) In section 205(a), which relates to management, powers, and authorities, strike out "Under Secretary of State for Economic Affairs" in the first sentence and substitute "Secretary of State".

(d) Insert after section 206 the following new section 207:

"SEC. 207. HOUSING PROJECTS IN LATIN AMERICAN COUNTRIES.—It is the sense of the Congress that in order to stimulate private homeownership, encourage the development of free financial institutions, and assist in the development of a stable economy, the authority conferred by this title should be utilized for the purpose of assisting in the development in the American Republics of self-liquidating pilot housing projects designed to provide experience in countries at various stages of economic development by participating with such countries in (1) providing capital for the establishment of, or for assistance in the establishment of, savings and loan type institutions in such countries; and (2) guaranteeing private United States capital available for investment in Latin American countries for the purposes set forth herein."

##### Technical cooperation

Sec. 203. Title III of chapter II of the Mutual Security Act of 1954, as amended, which relates to technical cooperation, is amended as follows:

(a) In section 304, which relates to authorization, strike out "\$179,500,000" and "1960" and substitute "\$172,000,000" and "1961", respectively.

(b) Amend section 306, which relates to multilateral technical cooperation and related programs, as follows:

(1) In subsection (a), which relates to contributions to the United Nations Expanded Program of Technical Assistance and related fund, strike out "\$30,000,000" and "1960" and substitute "\$33,000,000" and "1961", respectively.

(2) In subsection (b), which relates to contributions to the technical cooperation program of the Organization of American States, strike out "1960" and substitute "1961".

(c) In section 307, which relates to advances and grants, insert "(a)" immediately after "SEC. 307. ADVANCES AND GRANTS; CONTRACTS.—", and at the end thereof add the following:

"(b) The President shall arrange for a nongovernmental research group, university, or foundation to study the advisability and practicability of a program, to be known as the Point Four Youth Corps, under which young United States citizens would be trained and serve abroad in programs of technical cooperation. Not to exceed \$10,000 from funds made available pursuant to section 304 of this Act may be used to help defray the expenses of such a study."

#### SPECIAL ASSISTANCE AND OTHER PROGRAMS

Sec. 204. Title IV of chapter II of the Mutual Security Act of 1954, as amended, which relates to special assistance and other programs, is amended as follows:

(a) In section 400(a), which relates to special assistance, strike out "1960" and "\$247,500,000" and substitute "1961" and "\$260,000,000", respectively.

(b) In section 401, which relates to the United Nations Emergency Force, strike out "1960" in the second sentence and substitute "1961".

(c) In section 402, which relates to earmarking of funds, strike out "1960" in the first sentence and substitute "1961".

(d) In section 403, which relates to responsibilities in Germany, strike out "1960" and "\$7,500,000" in the first sentence and substitute "1961" and "\$6,750,000", respectively.

(e) Insert after section 403 the following new section 404:

"SEC. 404. INDUS BASIN DEVELOPMENT.—The Congress of the United States welcomes the progress made through the good offices of the International Bank for Reconstruction and Development toward the development of the Indus Basin through a program of cooperation among south Asian and other nations of the free world in order to promote economic growth and political stability in south Asia, and affirms the willingness of the United States, pursuant to authorities contained in this and other Acts, to participate in this significant undertaking. In the event that funds appropriated pursuant to this Act are made available to be used by or under the supervision of the International Bank for Reconstruction and Development in furtherance of the foregoing purposes, such funds may be used in accordance with requirements, standards, or procedures established by the Bank concerning completion of plans and cost estimates and determination of feasibility, rather than with requirements, standards, or procedures concerning such matters set forth in this or other Acts; and such funds may also be used without regard to the provisions of section 901(b) of the Merchant Marine Act of 1936, as amended (46 U.S.C. 1241), whenever the President determines that such provisions cannot be fully satisfied without seriously impeding or preventing accomplishment of such purposes."

(f) Amend section 405, which relates to migrants, refugees, and escapees, as follows:

(1) In subsection (c), which relates to contributions to the program of the United

Nations High Commissioner for Refugees, strike out "1960" and substitute "1961".

(2) In subsection (d), which relates to the continuation of activities undertaken for selected escapees, strike out "1960" and "\$5,200,000" and substitute "1961" and "\$3,500,000", respectively.

(g) In section 406, which relates to children's welfare, strike out "1960" and substitute "1961".

(h) In section 407, which relates to Palestine refugees in the Near East, strike out "1960" and "\$25,000,000" in the first sentence and substitute "1961" and "\$22,000,000", respectively; strike out the proviso in the first sentence; and insert after the first sentence the following new sentences: "After January 1, 1961, United States contributions shall not be used for programs of relief which heretofore have been administered on the basis of ration cards except for refugees whose need and eligibility for relief have been certified after July 1, 1960. The provisions of section 548, which relate to the availability of unexpended balances, shall not be applicable to unobligated balances of any funds heretofore or hereafter appropriated pursuant to this section. The President shall include in his recommendations to the Congress for fiscal year 1962 programs under this Act specific recommendations with respect to a program for the progressive repatriation and resettlement of refugees and for reducing United States contributions to the United Nations Relief and Works Agency for Palestine Refugees in the Near East."

(i) Section 409, which relates to ocean freight charges, is amended as follows:

(1) In subsection (a), after "such nations and areas" insert ", or, in the case of such nations and areas which are landlocked, transportation charges from the United States ports to designated points of entry in such nations and areas."

(2) In subsection (c), strike out "1960" and "\$2,300,000" and substitute "1961" and "\$2,000,000", respectively.

(j) Amend section 411, which relates to administrative and other expenses, as follows:

(1) In subsection (b), which relates to certain expenses of administering nonmilitary assistance, strike out "1960" and "\$39,500,000" and substitute "1961" and "\$40,000,000", respectively.

(2) In subsection (c), which relates to administrative and other expenses of the Department of State, strike out "to" after "appropriated" and substitute "for expenses of".

(k) In section 419(a), which relates to atoms for peace, strike out "1960" and "\$6,500,000" and substitute "1961" and "\$3,400,000", respectively.

#### CHAPTER III—CONTINGENCY FUND

Sec. 301. Section 451(b) of the Mutual Security Act of 1954, as amended, which relates to the President's special authority and contingency fund, is amended by striking out "1960" and "\$155,000,000" in the first sentence and substituting "1961" and "\$175,000,000", respectively.

#### CHAPTER IV—GENERAL AND ADMINISTRATIVE PROVISIONS

Sec. 401. Chapter IV of the Mutual Security Act of 1954, as amended, which relates to general and administrative provisions, is amended as follows:

(a) Section 502, which relates to use of foreign currency, is amended by adding the following new subsection:

"(c) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, if the President finds that participation by the United States in an internationally financed program to preserve the great cultural monuments of the Upper Nile would promote the foreign policy of the United States he may, subject to the approval of the Congress, use or enter

into agreements with friendly nations or organizations of nations to use, for this purpose, foreign currencies owned by the United States which have been generated under this Act or under the Agricultural Trade Development and Assistance Act of 1954, as amended, in the countries in which the program is to be carried out, but the value of foreign currencies so used shall not exceed an amount equal to 33 1/3 per centum of the total cost of such program."

(b) Section 504(d), which relates to small machine tools and other industrial equipment, is repealed.

(c) In section 505(a), which relates to loan assistance and sales, insert after the first sentence the following new sentence: "Commodities, equipment, and materials transferred to the United States as repayment may be used for assistance authorized by this Act, other than title II of chapter II, in accordance with the provisions of this Act applicable to the furnishing of such assistance."

(d) In section 513, which relates to notice to legislative commodities, insert before ", and copies" in the last sentence the following: "and under the last clause of the second sentence of section 404."

(e) Amend section 523, which relates to coordination with foreign policy, by adding the following new subsection:

"(d) Whenever the Chief of the United States diplomatic mission in a country determines that the achievement of United States foreign policy objectives there requires it, he may issue regulations applicable to officers and employees of the United States Government and to contractors with the United States Government governing the extent to which their pay and allowances received and to be used in that country shall be paid in local currency. Notwithstanding any other law, United States Government agencies are authorized and directed to comply with such regulations."

(f) Amend section 527, which relates to employment of personnel, as follows:

(1) In subsection (b), which relates to employment of personnel in the United States, strike out "seventy" and "forty-five" in the first sentence and substitute "seventy-six" and "fifty-one", respectively.

(2) In subsection (c), which relates to employment of personnel outside the United States, strike out "Director" in the introductory clause and substitute "President"; and insert before the period at the end of paragraph (2) the following new proviso: "Provided further, That Foreign Service Reserve officers appointed, or assigned pursuant to this paragraph shall receive in-class promotions in accordance with such regulations as the President may prescribe."

(3) In subsection (d), which relates to appointment of alien employees outside the United States, strike out ", at the request of the Director".

(g) In section 534(a), which relates to reports, strike out "six months" in the first sentence and substitute "fiscal year".

(h) In section 537(a), which relates to provisions on uses of funds, amend paragraph (3) to read as follows: "(3) contracting with individuals for personal services abroad: *Provided*, That such individuals shall not be regarded as employees of the United States for the purpose of any law administered by the Civil Service Commission."

(i) In section 537(c), which relates to construction or acquisition of facilities abroad, strike out "\$2,750,000" and substitute "\$4,250,000".

#### CHAPTER V—TECHNICAL AMENDMENTS REFLECTING NEW LIMITS OF UNITED STATES

SEC. 501. The Mutual Security Act of 1954, as amended, is amended as follows:

(a) In section 205(c), strike out "continental" in the twelfth clause of the first sentence.

(b) In section 411(d), strike out "the continental limits of".

(c) In section 527(c), strike out "the continental limits of" in the introductory clause.

(d) In section 527(d), strike out "the continental limits of".

(e) In section 530(a), strike out "the continental limits of".

(f) In section 537(a), strike out "continental" in the last proviso of paragraph (5) and in paragraphs (13) and (17); and strike out "the continental limits of" in paragraph (10).

#### CHAPTER VI—AMENDMENTS TO OTHER LAWS

SEC. 601. The Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691 and the following) is amended as follows:

(a) In section 104, which relates to use of foreign currencies, strike out all following "Acts" where it first appears in the last proviso and insert a period.

(b) In section 202, which relates to transfers of surplus agricultural commodities on a grant basis, strike out "The" at the beginning thereof and substitute the following: "In order to facilitate the utilization of surplus agricultural commodities in meeting the requirements of needy peoples, and in order to promote economic development in underdeveloped areas in addition to that which can be accomplished under title I of this Act, the".

(c) In section 203, which relates to delivery of relief supplies, after the words "designated ports of entry abroad" insert ", or, in the case of landlocked countries, transportation from United States ports to designated points of entry abroad."

SEC. 602. Section 501(b) of the Mutual Security Act of 1959 (73 Stat. 256), which relates to international cooperation in health, is repealed.

SEC. 603. Section 2 of Public Law 174, Seventy-ninth Congress, as amended (22 U.S.C. 279a), which relates to United States membership in the United Nations Food and Agriculture Organization, is amended by inserting "such" before "sums" and striking out "not exceeding \$3,000,000."

SEC. 604. Section 3(a) of Public Law 403, Eightieth Congress, as amended (22 U.S.C. 280b), which relates to United States membership in the South Pacific Commission, is amended by striking out "\$75,000" and substituting "\$100,000".

SEC. 605. Title II of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1431), which relates to interchange of persons, knowledge, and skills, is amended by adding the following:

#### "ASSISTANCE TO STUDENTS FROM OTHER COUNTRIES

"Sec. 204. (a) With respect to students from other countries attending colleges or universities in the United States, under the provisions of this Act or under any other government, institution, or individual program which furthers the purposes of this Act, the Secretary is authorized to provide for counseling, orientation, supplementary English language training, and such other assistance as will help them to have a fruitful experience here consistent with the objectives of section 2.

"(b) Grants which are made to colleges and universities under this section shall be made in the discretion of the Secretary on the basis of specific programs submitted to him.

"(c) Institutions receiving such grants shall be obliged to contribute an equal amount to such program. No grant to an institution shall exceed \$100 per foreign student enrolled in the institution during the period of the grant. No part of such grant shall be payable to a foreign student. The

total amount of such grants shall not exceed \$1,000,000 in any fiscal year."

SEC. 606. The President shall have a study made of the functions of, and the degree of coordination among, agencies engaged in foreign economic activities, including the Department of State, the International Cooperation Administration, the Development Loan Fund, the Export-Import Bank, and the Department of Agriculture, with a view to simplifying and rationalizing the formulation and implementation of United States foreign economic policies. The President shall include in his presentation to the Congress of the fiscal year 1962 mutual security program his findings and recommendations resulting from such study.

Mr. JOHNSON of Texas. Mr. President, the distinguished minority leader informs me that a Senator desires to offer an amendment to the mutual security bill, but that he will not be able to be here until about 5:30 this evening. I do not anticipate that we will have the third reading of the bill before 5:30, but I should like to have all Senators on notice that if the Senator is in the Chamber and offers his amendment, and if we can conclude with the bill and go to a third reading this evening, we would like to do so.

#### REPORT ON REVIEW OF SELECTED COMMERCIAL AIR SHIPMENTS OF HOUSEHOLD GOODS OF MILITARY PERSONNEL

Mr. BYRD of Virginia. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures I am in receipt of a "Review of Selected Commercial Air Shipments of Household Goods of Military Personnel" by the Comptroller General of the United States.

This audit review was forwarded by the Comptroller General of the United States, the Honorable Joseph Campbell, under a letter dated April 25, 1960.

I ask unanimous consent to have this letter from the Comptroller General published in the RECORD as part of these remarks, along with a copy of a statement by me relative to the review.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL  
OF THE UNITED STATES,  
Washington, April 25, 1960.

Hon. HARRY F. BYRD,  
Chairman, Joint Committee on Reduction of  
Nonessential Federal Expenditures, Congress  
of the United States.

DEAR MR. CHAIRMAN: Enclosed for the use of your committee is a copy of our report to the Congress on review of selected commercial air shipments of household goods of military personnel.

The report discloses that unnecessary costs were incurred as a result of shipping household goods of transferred military personnel to and from overseas points by commercial air transportation. We found that air transportation was used in cases where adequate surface transportation was available at much lower cost. A review of 13 expensive shipments of household goods by commercial air at a total cost of \$125,470 disclosed that shipment by surface transportation was feasible and would have cost only about \$23,000 or about \$102,000 less than the cost of shipment by commercial air. For example, household goods were shipped by commercial air from Texas to Pakistan at a cost of \$14,830, whereas



they could have been shipped by surface transportation for only about \$1,750. In this instance, they would have arrived in Pakistan by ship one week earlier than by air. Also, we noted that air shipments included a piano, a model ship, and a sled. Such items are obviously not essential to the health or well-being of the transferred personnel or for the prevention of undue hardship. Where items are considered desirable rather than essential, we believe that shipment should be by surface transportation unless there are cogent reasons justifying air shipment.

We are recommending to the Secretary of Defense that specific instructions be incorporated into the Joint Travel Regulations limiting the use of commercial air for shipment of household goods.

Sincerely yours,

JOSEPH CAMPBELL,

Comptroller General of the United States.

#### STATEMENT BY SENATOR BYRD OF VIRGINIA

The Comptroller General of the United States, Hon. Joseph Campbell, has advised me that military services have been shipping household goods of uniformed personnel overseas by commercial airline at a cost five times as great as charges for available and adequate surface transportation.

The Comptroller General's statement was based on audit of 13 sample Army and Air Force cases in which commercial air transportation charges totaled \$125,470 as compared with surface transportation costs which would have totaled \$22,984 if that means of transportation had been used.

In one case the Comptroller General found that a \$14,830 commercial air transport shipment from Fort Sam Houston, Tex., to Karachi, Pakistan, could have been sent by surface transport for \$1,750, and that it would have arrived a week earlier.

The cost of these 13 shipments of household goods ranged from \$2,700 to \$21,700 each. And in the course of the audits the Comptroller General found that the Government had been charged \$48,979.19 for one \$5,216.19 shipment and the Army disbursing officer's arithmetic had not caught the error.

This overpayment case involved the shipment of 2,947 pounds of household goods originating in Vancouver Barracks, Wash., U.S.A., by commercial air transportation from Portland, Oreg., to New York via Flying Tiger Airlines, Inc.; from New York to London via Pan American Airways; from London to Khartoum, Sudan, via Hunting Clan Air Transport, Inc.; and from Khartoum to Asmara, Eritrea, via Sudan Airways. The Comptroller General is seeking to recover the \$43,763 overpayment from Sudan Airways.

Although itemized listings of the air shipments were not generally available, the audits did disclose nonessential shipments by commercial air freight, such as a sled to France in the month of May, a piano to Spain, and a model ship from France to the United States.

The Comptroller General could find no reason to regard shipment of such items at premium rates as essential to the health and well-being of transferred personnel, and asserted the belief "that shipment should be by less expensive surface transportation unless there are cogent reasons, which are fully documented, justifying air shipment."

A copy of the Comptroller General's audit review of these cases was forwarded to me today as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, and I shall take the matter up with the Senate Armed Services Committee.

The report points out that under military regulations and the Career Compensation Act of 1949, "household effects of members of the uniformed services may be shipped without regard to the comparative costs of the

various modes of transportation," and under present practice determination is made by the local military transportation officers.

#### AID FOR THE ELDERLY

Mr. HUMPHREY. Mr. President, the Midwest Democratic Conference held recently in Detroit adopted an excellent statement on the welfare of elderly people. This statement was sponsored by Mrs. Geri Joseph, chairwoman of the Democratic Farmer Labor Party in Minnesota. I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows.

GOALS FOR AMERICA—POLICY STATEMENT, DEMOCRATIC MIDWEST CONFERENCE, DETROIT, MICH., MARCH 26, 1960

##### HUMAN WELFARE: AGING

The Democratic Party has a long record of achievements in aiding older citizens of the United States, particularly since the passage of the Social Security Act of 1935. Now the problems of the elderly are assuming new forms, and we recognize the leadership of Senators McNAMARA and HILL, Representatives FOGARTY, FORAND, and WIER, in seeking to provide legislation that will help solve these problems.

There are about 16 million Americans over the age of 65 years, 9 percent of the population, and this number is mounting both absolutely and relative to the total population. An increasing proportion of elderly persons are physically vigorous as they enter old age. At the same time, medical advances have all but wiped out the acute, infectious diseases as causes of death. When elderly persons become seriously ill today, they are increasingly likely to acquire one of the chronic illnesses—mainly diseases of the heart or the arteries, cancer, or mental illness. A great need here is for preventive and diagnostic health services.

Once acquired, the chronic illnesses require long periods of hospitalization or home nursing care. Thus, they require relatively heavy expenditures to treat and to maintain the patient while under treatment, whereas the older infectious diseases formerly carried off their victims with relatively few costs for medical care. Few older persons have accumulated savings sufficient to pay for their treatment and care if they get one of the chronic diseases, their current income is generally very low if they are retired, and the costs of medical care are mounting. To avoid placing half the population of older persons on even more costly old age assistance, the principal of compulsory insurance from the earliest working years—through the social security system—is the only sensible solution.

Due to increasing geographical mobility caused by the requirements of modern industry, and to the contemporary popularity of the smaller sized residence, adult offspring of today are much less likely than formerly able to move into their parents' home or to have space for their parents in their own apartments or homes. Thus, more and more, older persons or couples are required to live by themselves. Thus, they are less likely to be cared for personally by their adult children when they become ill, and it costs more to have others care for them. There is a growing need for nursing homes, convalescent homes, and chronic illness wards in hospitals.

The traditional manner of caring for seriously ill persons is to place them in hospitals. But many chronically ill elderly persons do not need the extensive and expensive

care provided by hospitals. Similarly, the traditional manner of caring for indigent aged persons who cannot fully take care of themselves is to put them in institutions—"old people's homes." Recent studies have shown that cheaper and more effective care can be provided in the older person's own home, if part-time homemakers' and nursing services can be provided.

Architects and other constructors of houses have learned about the special housing needs of older persons: handrails, substitution of graded ramps for steps, bathtubs that are easy to get in and out of, and so on. Studies of the social needs of older people show that they do best when they live with other older people in independent units with certain common facilities, but not completely isolated from younger people. Both public and private housing constructors long neglected the physical and social requirements of older people, and so there is a great need today for the stimulation of construction that will take into account these needs.

The increasing likelihood today that persons reaching the age of 65 will be physically fit and vigorous means that there is less reason for retirement from jobs at that age. Compulsory retirement policies now in existence often reflect the earlier situation. There still may be good reason today for some people to retire at 65 years, but there is little reason why the retirement should be compulsory for all people. Government can do little about this, except for its own employees, of course, but the social security system should avoid penalizing people who want to work after the age of 65 and are better off doing so.

Another carryover from the past is the widespread belief that older persons are not efficient or are otherwise not desirable as workers. This belief encompasses workers from the age of 40 onward, and not only those past 65 years. Studies show that, for most lines of work, older workers are fully as capable as younger workers, and that in matters of responsibility and stability on the job are often more desirable. Laws for the protection of older workers generally are actions for the States rather than for the Federal Government. On the other hand, the Federal Government does use Executive orders to prohibit discrimination by employers with Federal contracts and subcontracts, and orders could be extended to prohibit discrimination against older workers by such employers. If the Executive fails to issue such an order, Congress can require nondiscrimination by statute.

Some of the unemployment among older people today is due to technological displacement, largely due to automation, and this will be increasingly significant in the near future. It often pays industries to retrain their younger workers for the new jobs required by automated production, and some younger workers will find it advantageous to get the new training at their own expense. But the expense of retraining can seem prohibitive, either to the employer or to the older worker, when the worker has only 10-20 more years for the job. Unless the Government helps to provide retraining, especially for jobs that younger workers are less likely to go into, industrial workers will increasingly find themselves on the occupational rubbish heap at the age of 45 or 50.

The Senate Subcommittee on Problems of the Aged and Aging, headed by Senator McNAMARA, of Michigan, has discovered that there are critical shortages of trained labor in the area of health and community services, jobs in which older part-time workers would be especially suitable if they were properly selected and trained. At present, there are practically no vocational training programs for persons over 65 years, and the labor shortages in these special fields con-

tinue because there is no recruiting and training programs to meet their needs.

The McNamara subcommittee finds that at least half of the older people in the country today do not have enough income to afford decent housing, proper nutrition, adequate medical care, or necessary recreation. Clearly, there is need for a rise in the payments under old-age insurance and old-age assistance, and if inflation continues, a system of maintaining a constant purchasing power for these payments.

Modern life also tends to create social isolation for older persons. Geographic mobility, urban anonymity, the decline of the extended family system (in which relatives kept close touch with each other), all tend to make it less likely that older people will be acquainted with other people of similar age and interests. Further, the concentration on work in past generations to the relative exclusion of hobbies and social participation make many older people, especially those in the lower income classes, less prepared to participate in constructive leisure time activities when they are retired. Many private associations around the country—led by older persons or by younger ones—have recognized the problem and have developed numerous Senior Citizens Clubs, Golden Age Clubs, and the like. Still, only a small proportion of the elderly have been reached, and these mainly in large cities, while the great bulk of those over 65 years remain lonely and at a loss as to what to do with their leisure time. A demonstration project in five rural counties of Minnesota shows what a magnificent response whole communities show when a trained community organizer helps them to start recreational, housing, and educational programs for the aging. Such projects ought to be stimulated in all the States, on a temporary basis until the local communities and organizations become aware of the problem and know what concretely to do about it, and the Federal Government could provide short-term grants for this purpose, the total cost of which would be quite low.

There is evidence that a growing number of Americans, old and young alike, are becoming aware of the widespread character of these new or expanded problems facing the aging and are in favor of doing something about them. Not all the problems can be solved, and even some of those that can be solved will require the actions of individuals and private groups. But Government has an important role to play, and the Democratic Party has an obligation to formulate and support recommendations for legislative and administrative action to ease the plight of the 16 million citizens over 65 years and the 49 million over 45 years.

To help meet the needs of the older population, the Democratic advisory council (in a policy statement adopted December 6, 1959), recommended:

1. A substantial increase in social security benefits, with at least a 30-percent increase over the current minimum payment of \$33 a month.

2. Provision, through the social security system, of benefits to cover the increasing costs of adequate health care for retired beneficiaries and eligible dependents.

3. Revision of the OASI "retirement test" to allow part-time work to supplement regular OASI benefits up to an amount necessary to maintain a decent standard of living.

4. The blanketing into the social security system of all persons in covered occupations who are already retired.

5. The outlawing of age discrimination in employment in all Federal contracts.

6. Expansion of public preventive health programs to all persons over 60.

7. Appropriation and use of the full amount authorized by the Housing Act of 1959 for housing for the elderly, and a continuing program of construction stimulated by the Federal Government.

8. Creation of an older persons office in the executive branch.

The McNamara committee has formulated additional recommendations:

1. The establishment of a senior citizens service training program for the purpose of recruiting and training willing and able older persons to serve in specified community activities, the personnel for which are otherwise in short supply.

2. It recommends that the Congress consider adoption of a program of financial assistance to nursing homes which meet the minimum standards for medical and restorative services. The Department of Health, Education, and Welfare should be requested to develop a suggested plan and formula for this assistance program.

To this list, the Midwest Democratic Conference would add the following recommendations for action by the Federal Government:

1. Making funds available to the States, to be matched by funds provided by the States, for the purpose of hiring persons trained in community organization, whose task it would be to work with community groups and voluntary associations to stimulate local recreational, educational, and welfare programs for the benefit of the aging.

2. Making funds available to the States, to be matched by funds provided by the States, for the purpose of encouraging the States to develop specific demonstration projects for the benefit of the aging. Such demonstration projects—to be approved by appropriate units of the Federal Government—might include such things as surveys of the needs of the aging, geriatrics clinics, model housing for elderly persons with low income, model nursing homes for incapacitated elderly persons, homemaker and house-call services, local recreational and education facilities.

3. Explore ways of providing occupational retraining for workers 40-65 years of age displaced by automation and other innovations.

### THE DULUTH HARBOR—A SOUND INVESTMENT

Mr. HUMPHREY. Mr. President, one of the most exciting and important economic developments in the State of Minnesota is the progress of the port of Duluth in preparing its facilities to make use of the great St. Lawrence Seaway.

A very fine article discussing this effort appeared in the Minneapolis Tribune of April 10, 1960, an article by Richard Saunders of the Minneapolis Tribune staff.

I ask unanimous consent, Mr. President, to have printed at this point in the RECORD the article by Mr. Saunders.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune, Apr. 10, 1960]

DULUTH AWAITS NEXT ROUND IN BATTLE TO BE WORLD PORT—TAXPAYERS' INVESTMENT AT STAKE

(By Richard Saunders)

DULUTH, MINN.—Scrawled on a blackboard in Supt. Anthony F. Rice's office in the sprawling public marine terminal on Rice's Point are three chalked notes. They read:

"Trans-Michigan—Due April 24.

"Trans-Erie—May 24.

"Clemens Sartori—May 1."

These are the tentative arrival dates of the first three foreign ships carrying general cargo that are scheduled to call at Duluth-Superior in 1960, the second season of ocean shipping through the deepened St. Lawrence Seaway.

The number of regular visits by these and other freighters like them in the next few years will go far to determine the outcome of valiant battle being waged to establish this harbor as a major center of world commerce.

Every taxpaying Minnesotan has a stake in the final result, because the \$10 million Arthur M. Clure terminal was built with State, county, and city funds.

From the seaway port authority of Duluth's ninth floor headquarters in the Alworth Building, the battle lines extend westward to the Pacific coast, south to the gulf coast and eastward through Washington and New York to Europe and the Middle East.

The authority's aim: to knock down the barriers of decades-old shipping habits, discriminatory rates, and practices and ignorance that block the development of this infant seaport located 1,500 miles from the sea.

"We're making slow but steady progress," said Robert Tomich, port traffic manager, last week. "But this is a tremendous task and we still have a long way to go."

In its baptismal year, the twin ports exported 86 million bushels of grain and imported or exported 17,000 tons of general cargo. This was twice as much grain and one-third as much cargo as predicted before the season opened.

Optimism was running high in shipping circles last week that grain exports in 1960 will rise to between 100 and 150 million bushels and that packaged freight will hit the 1959 estimate of 50,000 tons.

"By any standard, a tripling in general cargo shipments in 1 year would be an outstanding achievement," another port spokesman declared.

Last year, 22 foreign freighters put in here, bringing 11,681 tons of steel, ferrosilicon, machinery, woodpulp, glass, coffee, twine, liquor, beer, rugs, automobiles, and oatmeal to upper Midwest customers.

They departed with 4,700 tons of bentonite clay, machinery, dried milk, flour, honey, and tinplate, destined mainly for northern Europe.

The export tonnage was a far cry from the 750,000 tons of goods which, surveys indicate, move overseas through Lake Michigan, gulf and Atlantic ports from Duluth-Superior's 11-State trade area in an 8-month season.

Much of this total could move through Duluth at savings of 40 to 50 cents a hundred pounds over Milwaukee and Chicago," explained Tomich.

Robert T. Smith, port director, Tomich and others have worked all winter to correct the eight chief inequities they feel keep Duluth at a disadvantage. The box score: two down and six to go.

In February three of the eight railroads serving the port—the Milwaukee Road, Chicago and North Western and Soo Line—agreed to raise from 2 to 7 days the free time the railroads will allow cars to stand without charge to the shipper.

The other roads are objecting because they don't want to tie up grain cars during the harvest season.

The second victory came when the railroads agreed to eliminate a ruling that favored west bank Lake Michigan ports in the absorption of car loading and unloading costs.

Still to be won, however, are skirmishes over land transportation rates which now favor coastal ports against inland ports, Government discrimination against lake ports in routing Federal aid exports of agricultural products, the Maritime Commission's refusals to include Duluth as a regular port of call in all subsidy contracts with American lines and over an arbitrary 10-cent-a-ton penalty levied by conference line ships on general cargo carried on Lake Superior.



The port says it has received inquiries or requests for terminal charges of fruit, meat, and dairy products, lumber products, lubricating oils, machinery, seeds, peas, potatoes, bagged flour, vegetable oils, and meal for export in 1960.

But, no matter how great the saving, none of these shipments will move through the twin ports unless the shipper can be guaranteed quick and efficient service to the destination point.

On the other hand, no shipowner will spend an extra \$600 to \$1,200 a day (in the case of a foreign vessel) to come to Duluth and find no cargo waiting for him.

Well aware of this dilemma, the port and the Minneapolis Area Chamber of Commerce have been conducting a winter-long Operation General Cargo campaign to induce area shippers to try the twin ports.

Meanwhile, the port authority and shipping agents are seeking to arrange regular monthly sailings by five foreign lines serving the United Kingdom, northern Europe, the Mediterranean, the Caribbean, and South America.

As of last week, regular sailing schedules had been issued by the German Poseidon Lines, the port's lone steady service last year, and the English Manchester Liners, Ltd.

A third previously announced service, by the Greek Hellenic Lines, had not been firmed up.

Two other foreign companies that sent ships on an "if traffic justifies" basis last year may return this year under the same conditions, Tomich said. This includes Hamburg-Chicago Lines, whose *Clemens Sartori* is due to arrive May 1 with 300 tons of baling twine, glassware, and iron, and Bristol City Liners.

The *Trans-Michigan* and the *Trans-Erie* are Poseidon vessels.

The two American ship lines which attempted to establish Great Lakes service last year lost a total of \$1,500,000 in the process. Tomich does not expect to see Grace Line or American Export Lines in Lake Superior this year.

(The international shipping season on the seaway is expected to open April 15 if ice conditions permit, 3 days earlier than in 1959. The first foreign vessel, a grain ship, is due in Duluth-Superior April 21, 2 weeks ahead of the *Ramon de Larrinaga's* May 3 arrival last year.)

Meanwhile, the port has been bustling with activity in anticipation of increasing the estimated \$2 million windfall of wages, purchases, and services left here in connection with the introduction of foreign commerce last year.

To speed grain handling, at least four of the port's 11 elevators and grain docks are being improved at a cost of more than \$1 million. This comes on top of the \$2½ million spent on dredging, spout raising and improved berthing areas in 1959.

Grain storage capacity has been increased to 70 million bushels with the conversion of a former Carnegie anthracite coal storage building into a 2½-million-bushel grain warehouse by Duluth Dock & Transport Co. The new firm has also built a warehouse to store 20,000 tons of salt.

Donovan Construction Co., St. Paul, has acquired a 45-acre site on Connor's Point in Superior for the possible construction of a grain elevator.

International Duluth Seaport Corp., a group of Canadian and English investors who have proposed an \$80 to \$100 million private terminal on a 135-acre site, expects to gain clear title to the property in 20 or 30 days, a spokesman said.

The corporation plans a board meeting in Duluth in early May to plan its next step.

The port authority is considering construction of a \$400,000 5,000-ton tank farm for storing animal and vegetable fats, oils and greases.

Cargill, Inc., which has a 2,400,000-bushel grain elevator in Superior, is negotiating to operate the 4-million bushel Norris Grain Co. elevators in Duluth.

The Fraser-Nelson shipyard in Superior, booming all winter with major repairs on several domestic iron ore carriers, may find repeat business during the summer from foreign hulls damaged during trips through the lakes en route to the twin ports.

At least two new steamship agencies and three new stevedoring companies have opened offices in Duluth, increasing the former total to eight and the latter to 14.

The Minnesota State grain inspector's office will add 25 more men to its 100-man staff to handle an expected increase in grain shipments. One Federal and one State entomologist will be employed to inspect cargo holds for insects.

The Federal Immigration and Naturalization Service and the U.S. Collector's Office have hired three additional men.

Several new harbor services are planned, including a water taxi to ferry pilots and inspectors out to foreign vessels anchored offshore, a garbage collection boat and a third excursion ship for sightseers.

Steamship agencies, busy lining up ships to pick up grain stored in the port's 11 elevators, report charters are running slightly behind to about even with last year's record-breaking rate.

Agents hunting for packaged cargo, their job immeasurably more difficult because of tradition-bound shippers' habits and unsettled freight rates, are generally optimistic.

One of the new agents, Brendan P. O'Callahan, New York, said he has "firm commitments on 200 to 300 tons of general cargo for export" from May 1 to October 1 and has "tentative commitments on 20,000 to 30,000 additional tons."

O'Callahan, who brands the Duluth facilities as "the most flexible of any of the 250 world ports I've seen in 26 years in the shipping business," is confident the harbor will become a major foreign trade center in 3 to 5 years.

But he echoes a belief widely held in shipping circles here that that day will not come until the port gets wider support from upper Midwest shippers and the public.

#### PUBLIC AND PRIVATE COOPERATION TO SOLVE THE REFUGEE PROBLEM

Mr. HUMPHREY. Mr. President, it is the great strength of our American assistance operations abroad that they are a practical combination of public and private assistance. The direct generosity of individual Americans to those who are hungry and homeless in other nations amounts to millions of dollars a year channeled through more than 35 voluntary agencies.

The esteemed Monsignor Edward E. Swannstrom, chairman of the American Council of Voluntary Agencies for Foreign Service, and himself director of Catholic Relief Services, has called attention in a statement signed by the council's executive committee to the special obligations of our Nation for both public and private efforts in World Refugee Year.

The council comments that "the voluntary agencies take pride in the spirit which has prevailed—note the results—and are challenged by the vast area of critical needs still to be met."

Among these needs the council asks full use by the administration of the \$10 million World Refugee Year Fund

authorization and refugee admission legislation providing for admission of certain "difficult to resettle" persons. Both these proposals are goals which I wholeheartedly endorse.

Mr. President, I ask unanimous consent that the letter from Monsignor Swannstrom and the members of the council executive committee and the council's statement be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

AMERICAN COUNCIL OF VOLUNTARY AGENCIES FOR FOREIGN SERVICE, INC.,  
New York, N.Y., April 22, 1960.

HON. HUBERT H. HUMPHREY,  
The Senate Foreign Relations Committee,  
Senate Office Building, Washington, D.C.

DEAR SENATOR HUMPHREY: The American Council of Voluntary Agencies for Foreign Service has expressed the belief that you will be interested to receive the attached statement "The Refugee Problem—Concerning Both Sectors, the Public and the Private."

On behalf of the American Council the officers appreciate this opportunity to transmit this report to you for your information and for such use as you see fit.

Moses A. Leavitt, honorary chairman, American Jewish Joint Distribution Committee, Inc.

The Right Reverend Monsignor Edward E. Swannstrom, chairman, Catholic Relief Services—National Catholic Welfare Conference, Inc.

Vice chairmen: Dr. John S. Badeau, Near East Foundation; J. N. Byler, Mennonite Central Committee, Inc.; Bernard A. Confer, Luther World Relief, Inc.; Richard W. Reuter, Cooperative for American Relief Everywhere, Inc. (CARE); Louis W. Schneider, American Friends Service Committee, Inc.; Dr. R. Norris Wilson, Church World Service, Inc.

James P. Rice, secretary, United Hias Service, Inc.

Abram G. Becker, treasurer, Cooperative for American Relief Everywhere, Inc. (CARE).

Sincerely yours,  
EDWARD E. SWANSTROM,  
Chairman.

#### THE REFUGEE PROBLEM CONCERNING BOTH SECTORS—THE PUBLIC AND THE PRIVATE

A short time ago the member agencies of the American Council of Voluntary Agencies for Foreign Service undertook a review of their operational activities in the area of need and underprivilege abroad. Their findings are summarized in a formal statement delivered before the Straus committee<sup>1</sup> engaged in a study of the role of the American private sector abroad. In conclusion the statement expresses a concern of the 39-member agencies of the American Council, as follows:

"During the 20th century it is impossible to escape from the fact that there exists a struggle for the minds and souls of men. This struggle may be conducted by words and by every means of propaganda, and it may also be conducted by deeds and by example. The voluntary sector, besides promoting peace and an abiding sense of brotherhood through programs of cooperation to meet human need, performs a basic service to truth which is deeply significant to the whole future development and ultimate goals of American foreign policy.

"The American voluntary agencies have been particularly active in mass and indi-

<sup>1</sup> Javits amendment to the Mutual Security Act of 1958, sec. 205(j) (2).

vidual migration and resettlement of peoples displaced by war's aftermath, calamity or political oppression. In the past decade, some 600,000 such persons have been resettled in the United States of America through sponsorship secured by voluntary agencies. The American economy was aided, but the resettlement movement was not a device to satisfy the labor market; it was a human response to human need—with great social and economic advantage to the labor market. This corporate work of rescue has not only saved individual and family lives, but has been of service to the economy of such overpopulated countries as Austria and Italy. Postwar sponsored migration has demonstrated the continuing awareness of America as a haven for the oppressed and has thus supported and dramatized the position of the United States in the world. But even more, this activity of the American voluntary agencies has inspired and become an integral part of worldwide endeavor of counterpart agencies thus adding immeasurably to the total achievement of the American voluntary agencies. A number of worldwide voluntary associations have helped to resettle substantial numbers of persons in other countries as well as in the United States of America. These world programs for refugees relying substantially for financial support on voluntary American gifts, are a vital part of the contribution that American voluntary agencies are making to the broader goals of our foreign policy."

No one familiar with the needs of refugees can fail to recognize the American leadership which has been exerted since the end of World War II. Indeed the determination to express our humanitarian concern is reflected in continued American private and governmental action, even as the aspect of the refugee problem has changed with the passage of 15 years of postwar history.

These 15 years have brought action through a variety of concerned organizations—governmental, such as the Displaced Persons Commission and the U.S. escapee program; intergovernmental, such as the Intergovernmental Committee for European Migration; international, such as the United Nations Relief and Rehabilitation Administration, the International Refugee Organization, the United Nations Korean Reconstruction Agency, the United Nations Relief and Works Agency for Palestine Refugees, and the Office of the United Nations High Commissioner for Refugees; and private, voluntary organizations sectarian and nonsectarian such as those which constitute the membership of the American Council of Voluntary Agencies.

Through a series of legislative enactments pertaining to immigration and laws relating to the uses of American agricultural products and through the development of specific programs and organizations, the historic concern of the American people for others has been demonstrated. Through the joint action of the public and private sectors millions have been fed and clothed. The movement of many hundreds of thousands of displaced persons throughout the free world by the International Refugee Organization was facilitated by American governmental support and voluntary agency ability to arrange necessary sponsorship and to accept placement responsibilities. Since 1952, through a series of bilateral contracts and cooperative arrangements, the voluntary agencies have made operational and other resources available to the important programs of the existing governmental, intergovernmental, and international organizations. The voluntary agencies take pride in the spirit which has prevailed; we note the results and we are challenged by the vast area of critical needs still to be met.

Currently appealing to their constituencies throughout the country, during World

Refugee Year, voluntary agencies, members of the American Council, deeply concerned with refugee needs seek a goal well over the amounts annually subscribed in campaigns of previous years; the target approximates \$65 million and indicates a \$15 million increase over the average annual expenditures of \$50 million for refugee services since the year 1945.

In keeping with a basic policy of the American private effort, voluntarily contributed funds are expended for assistance to refugees directly by the agencies themselves and/or through cooperating voluntary agencies in overseas countries. It is important to note, therefore, that these funds do not appear as part of any governmental, intergovernmental, or international income record as is the practice in some countries where voluntary contributions are sought by public, tax-supported bodies.

The American Council is acutely aware of a vast additional resource that can never be fully measured. Through the uncounted contributed hours of unnamed volunteers serving member agencies across the breadth of our land, many thousands of uprooted human beings have felt the impact of an American ideal and again found friends, home life and independence. Hundreds of thousands of tons of serviceable used clothing and other supplies, collected for distribution wherever there was need, are yet another evidence that our people are a compassionate people and generous. The agencies gratefully acknowledge the vast and diversified contributions of their constituents. Theirs is a role that is not and can never be reflected in simple statistics.

The American Council of Voluntary Agencies has deep concern regarding the importance of a strong support by our Government of the World Refugee Year effort. Aware that Congress recommended the sum of \$10 million from the President's Emergency Fund for this purpose, it is hoped that our Government will take full advantage of this. Legislation for refugee immigration to the United States including provision for a proportion of the "difficult to resettle" persons as our share of the responsibility is a move toward solution of this problem, has been recommended by the agencies of the council, aware as they are of the endeavors of other countries in this respect and convinced of this country's capacity to constructively absorb such persons.

It is generally recognized that the refugee problems are too vast and the condition too fluid to be solved in a single World Refugee Year. On the other hand, the concentrated focus of a community of nations on this global problem is fraught with unlimited importance.

We acknowledge with satisfaction the continuing American governmental support of the U.S. escapee program, the Intergovernmental Committee for European Migration, the Office of the United Nations High Commissioner for Refugees and the United Nations Relief and Works Agency for Palestine Refugees, recognizing it as essential to the successful resolution of the refugee problem. We are convinced that American concern can be best expressed through the teamwork of the public and voluntary sectors. Firm in this resolve we must so act as to assure that no future historian will refer to the years of our time as "the century of the homeless man."

#### ARMED FORCES CHESS TOURNAMENT

Mr. HUMPHREY. Mr. President, I am extremely pleased to bring to the attention of my colleagues a notable event scheduled in the city of Washington during Armed Forces Week, May 15 to 20—the final chess tournament, the first

of its kind and the first in an annual series, in which outstanding chess players from the armed services of the United States, will meet to play for the chess championship of the U.S. armed services.

The 12 servicemen who have emerged from preliminary competition, and have the distinction to compete in the national chess tournament are the following:

Edmund Czapski, major U.S. Air Force, Lincoln Air Force Base, Nebr.

Arthur W. Feuerstein, private, first class, U.S. Army, Seine Area Command, France.

Henry A. Giertych, Jr., captain, U.S. Air Force, Keesler Air Force Base, Miss.

Robert D. Grande, technical sergeant, U.S. Air Force, Bolling Air Force Base, District of Columbia.

John A. Hudson, first lieutenant, U.S. Air Force, Chennault Air Force Base, La.

George Krauss, Jr., staff sergeant, U.S. Air Force, Forbes Air Force Base, Kans.

Peter A. C. Leuthold, airman, first class, U.S. Air Force, Sembach Air Force Base, Germany.

Richard C. Moran, airman, first class, U.S. Air Force, Dreux Air Force Base, France.

Charles D. Mott, captain, U.S. Navy, Bureau of Naval Weapons, District of Columbia.

Michael N. Robinson, specialist, fourth class, U.S. Army, Fort Gordon, Ga.

Eugene Sobczyk, commander, U.S. Navy, Puget Sound Naval Shipyard, Wash.

Robert W. Walker, airman, third class, U.S. Air Force, Lowry Air Force Base, Colo.

This tournament does credit to the educational program of a national organization, the American Chess Foundation, and to the admirable administrative leadership of the Department of Defense.

The American Chess Foundation has the objective of encouraging the playing of chess as a national sport and pastime for young and old; to develop the many possibilities of chess for the intellectual and scientific training on which American security and prosperity depend; and to cultivate a climate of public opinion and a widespread knowledge of the game, out of which there can emerge chess masters, capable as in the past of providing United States of America leadership in the international chess field. I wish to commend and encourage the officers and directors of the foundation in this worthy endeavor. Its officers and directors are:

Walter J. Fried, president.

Rosser Reeves, chairman of the board.

Thomas Emery, honorary chairman, committee of sponsors.

Jacques Coe, vice president.

Morris J. Kasper, treasurer.

Cecile B. Wertheim, secretary.

Cleveland Amory.

Mrs. Benjamin Kaplan.

Walter Liebman.

Lessing J. Rosenwald.

Edward W. Turner.

Sidney Wallach.

The Department of Defense, recognizing the importance of intellectual and cultural achievement of our military



personnel, cooperated fully in making it possible for thousands of men and women in the armed services to participate in area competitions.

United Service Organizations and member agencies also cooperated in bringing about the successful planning of this program.

The individual who started the ball rolling, Mr. Thomas Emery, of New York, a former marine and distinguished chess player of international reputation, set up the initial endowment through the American Chess Foundation to provide annual prizes for 12 competition finalists and an annual trophy for the service to which the winner belongs.

But I understand the competition could not have succeeded without the enthusiastic efforts of a special committee here in Washington headed by Col. John D. Matheson, retired, of Arlington, Va., and consisting of Col. E. B. Ely, Mr. Sidney Wallach, Dr. Eliot Hearst, Mr. I. S. Turover, Mr. Thomas Emery, and Sgt. Bob Karch.

Chess, although an ancient game, is still enthralling and is enjoyed and widely recognized abroad as a peaceable and stimulating intellectual pastime. I have long advocated educational projects calculated to stir the interest of Americans in intellectual and cultural pursuits, and I believe the playing of chess fits into this classification. It may even be considered a standard of appraisal of a nation's intellectual and cultural dispositions and achievements. I would like to see this view reciprocated in this country.

Some 20 years ago the United States was recognized internationally for its supremacy in chess, but other countries have since forged ahead, notably the U.S.S.R. This happened not because our people are less capable or less intellectually inclined, but rather because these countries through resources of finance and of public opinion, deliberately encouraged wide chess play and corresponding chess superiority. Since my visit to the Soviet Union, where chess playing is a highly honored activity, I have become more convinced than ever that we must stimulate greater interest and participation in this type of program in the United States.

We live in a time when training in logical and imaginative thinking is indispensable to our national survival and to our continuing prosperity. Chess can have an important role in such training, and at the same time offer valuable social benefits. It belongs in our guidance programs for youth, and in the social programs of our retired citizens as a gratifying activity. The game is an excellent means to channel public attention from socially destructive pursuits, by filling a void in available leisure time projects.

The support of American industrial leadership of this program of the American Chess Foundation, New York, a non-profit group, would be a most productive and appropriate prospect.

I hope that the Congress will join me in this call to popularize and reward ability in chess among Americans for their own greater satisfaction and mental development, and for enhanced

international appreciation of our intellectual and cultural potentials in all areas of human interest. It could well be that from among our chess experts we would find an important reserve of strategic and diplomatic protagonists for the international matches, which in this age of negotiation are a vital and much-used tool in the handling of crises, whether on national levels or on a person-to-person basis. Such equipment would, of course, increase our confidence and effectiveness in a wider variety of social, business, and political encounters with others, be they friend or foe.

#### RESALE OF CERTAIN VESSELS TO REPUBLIC OF CHINA

The PRESIDING OFFICER (Mr. BYRD of West Virginia in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H.R. 8042) to authorize the Secretary of Commerce to resell four C1-SAY-1 type vessels to the Government of the Republic of China for use in Chinese trade in Far East and Near East waters exclusively, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MAGNUSON. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. BARTLETT, and Mr. SCHOEPPLE conferees on the part of the Senate.

#### POLICY STATEMENT BY MIDWEST DEMOCRATIC CONFERENCE

Mr. McCARTHY. Mr. President, the policy statement adopted by the Midwest Democratic Conference at its recent meeting in Detroit, Mich., is a pledge to vigorous leadership on several national issues.

The civil rights section was introduced and sponsored by Mrs. Geri Joseph, State chairwoman of the DFL party of Minnesota. It affirms the determination of midwestern Democrats to support action by the Federal Government to secure the civil rights of all citizens, and it singles out six areas in which Federal action is needed. I ask unanimous consent that the section on civil rights be printed in the RECORD.

There being no objection, the section on civil rights was ordered to be printed in the RECORD, as follows:

GOALS FOR AMERICA—POLICY STATEMENT,  
DEMOCRATIC MIDWEST CONFERENCE, DETROIT,  
MICH., MARCH 26, 1960

##### CIVIL RIGHTS

It is the clear responsibility of the Federal Government to secure full civil rights to all Americans. We believe that the protection of civil rights is a constitutional mandate and it is the duty of the President and the Congress to guarantee observance. The right to vote; to the equal protection of the law; to publicly protest grievances; to the security of the person, papers, and property, and freedom of assembly are among the attributes of individual citizenship that

transcend State boundaries and that are not to be eroded or abridged by local custom or usage. At no time in our history has there been a more crucial need for the free exercise of these constitutional liberties by every American. Each level of government has this obligation in its own field of operation. Many civil rights problems require combined Federal, State, and local action for their effective solution. Any proper concept of States rights includes the imperative of States' responsibilities. Failure of any State to assume these responsibilities creates a mandate for Federal action.

In pursuing these goals we pledge the full use of the power and prestige of the executive branch of Government and of the Congress to uphold the Supreme Court and to:

1. Provide effective guarantees of the right to vote in local, State, and Federal elections.
2. Complete desegregation of public schools and all other tax-supported public facilities.
3. Eliminate discrimination in housing because of race, religion, or national origin.
4. Eliminate discrimination in employment opportunities and promotions.
5. Secure to all persons equal and non-segregated access to commercial places of public accommodation.
6. Authorize the Attorney General to secure injunctions against any infringement or deprivation of constitutional rights on account of race, religion, or national origin.

Recent Democratic administrations initiated measures removing discrimination against racial, religious, and other national minorities. The Executive Order of 1941 established the Federal Fair Employment Practices Commission; the 1946 Executive Order created the Commission on Equality in the Armed Forces from which flowed the Executive Order of 1947 eliminating segregation in the Armed Forces; the Executive Order of 1947 establishing the Civil Rights Commission brought forth the historic blueprint "to secure these rights" on which has rested all subsequent civil rights advances.

Contrasted with these achievements the succeeding Republican President has resisted the use of his office to eliminate such discrimination, has questioned the constitutionality of measures advanced to achieve that purpose and has refused to invoke the authority of his office and that of the Attorney General to advance the school and other desegregation mandates of the Supreme Court.

We pledge to use every influence—moral, educational, and political—to eliminate under law all barriers to the individual enjoyment of all civil rights so that the dignity of citizenship shall become a reality in fact as well as in law. We recognize that this task requires forthright action in all sections of the Nation.

We pledge our Democratic Party to encourage the participation of all citizens throughout the party structure.

#### CONDITION OF MIGRATORY FARMWORKERS

Mr. McCARTHY. Mr. President, the condition of migratory farmworkers has long been one of the most serious problems in American life. They represent the most neglected and underprivileged group in American society, and the distance is increasing between their depressed standard of living and income and that of other groups in the Nation.

A. H. Raskin, writing in the New York Times magazine—April 24, 1960—has made a realistic summary of their problems and suggested some of the measures needed to improve their condition. As he states, these citizens are the "dis-

possessed ones." They do not have the elementary necessities which we assume to be part of the American way of life. Adequate housing, diet, medical attention, educational opportunity, and economic security—none of these are within reach of migratory workers.

Mr. President, the standard of living and wages of domestic migratory workers is related to the program of bringing in nearly 500,000 nationals from other nations for work on our big commercial farms. Congress should, I believe, consider most carefully the relationship between this program and the depressed condition of domestic migratory workers before any steps are taken to extend Public Law 78.

I ask unanimous consent that Mr. Raskin's article, "For 500,000—Still 'Tobacco Road'," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Apr. 24, 1960]  
FOR 500,000—STILL "TOBACCO ROAD"

(By A. H. Raskin)

Bedraggled caravans are rumbling north from Florida, from Texas and from southern California. They carry the landless army of workers on the land—the half-million migratory farm laborers who harvest much of the Nation's food, yet are so completely outside the protection of laws enacted to guarantee a modicum of security for all other wage earners that they have become known as the "excluded" Americans.

"I been everywhere, and I got nowhere" is the migrant's lament. He follows the sun and the crops, an indigent in an affluent society. He travels over highways lined with deluxe motels, their neon signs boasting of good food and television in every room. But journey's end for him is likely to be a tarpaper shack, a chicken coop, a tent or a dilapidated barn.

He tends the rich soil, helping to produce such plenty that the Government pays his employers to stop planting, or buys their oversupply to swell Uncle Sam's hoard of surplus crops. Yet the migrant and his family are undernourished—a factor that contributes to making their disease rate double that of citizens with higher incomes and more stable jobs.

These are the dispossessed ones of a farm economy increasingly dominated by giant agricultural corporations; and they are even more subject to the dislocating impact of new technology than workers in our swiftly automating factories, offices, mines and distributing networks.

The migrants are sharecroppers evicted by the onrush of mechanization, tenant farmers unequipped for a shift to urban employment, members of minority groups—Negroes and Mexican-Americans—turned into nomads by the racial antagonisms that shut them out of opportunities for education and self-improvement. These are the discards of a rural revolution, the 1960 counterparts of the Okies and Arkies whose suffering was impressed on the public consciousness two decades ago by John Steinbeck's "The Grapes of Wrath."

No Federal minimum wage law sets a floor under their pay scales or a ceiling over their working hours. They share with the rest of the country's 2 million hired farmhands vulnerability to a chaotic wage structure that puts them further and further behind industrial pay standards each year. A half-century ago farmworkers earned two-thirds as much as factory workers. By the end of World War II the ratio had dropped to a little less than half. The present farm aver-

age of 80 cents an hour is barely a third the factory average of \$2.29.

And even this falls to give a real measure of the farmworker's penury. For a man must live by the year, not by the hour. On that yardstick, the farm laborer is so much an alien to normal American standards that Protestant missionaries from 27 countries of Europe, Asia, and Africa seek assignment to migrant work camps. They explain that conditions there come closest to matching those they will have to contend with when they move on to stations in Nepal, Sierra Leone, Korea, and other areas of great want.

The migrant works when there is a crop to tend and that means, for all his traveling, an average of 1 day in 3 on a year-round basis. A freeze, a drought, or a blight may cut even this meager expectation by wiping out a harvest on which he counted for a month or more of work. The farmworker's average total earnings for 1958, the latest year for which Government records have been tabulated, came to \$961, and \$195 of this was derived from odd jobs he managed to find outside farming.

With their fathers' wages so far below the national average family income of \$6,520 a year, the children of these wanderers are in bondage to the cycle of crops that shapes their lives. A boy is born "in the potatoes"; his baby sister dies "in the asparagus." By the time a youngster is 10, he is much more expert at cultivating the fields than at cultivating his mind. A Florida educator summed up the problem bluntly: "Beans are in competition with school in this country, and beans are winning out."

In the few States that even attempt to enforce child-labor prohibitions in agriculture, the need for extra family income is so strong that parents and children conspire to frustrate the inspectors. Their advent causes a quick spread across the fields of some such watchword as "Pick 'em clean, Joe." This is the signal for all the underage harvesters to flatten themselves among the vegetables until the intruders go away.

For the communities through which they pass, the education of the migrant children is an unwelcome and usually an unaccepted responsibility. The reasons are simple: school funds are limited, classes overcrowded, teachers overworked, a combination that evokes no enthusiasm over a large-scale influx of rootless strangers whose unorthodox upbringing and sketchy prior schooling complicate the task of assimilation.

Pilot projects in New York and several other States have demonstrated that the education problem can be met with encouraging results where the will to meet it exists. But hostility is still the predominant community attitude toward the migrant, not only in schools but in social and civic affairs.

It is only when disaster hits, in the form of fire, flood, or other destructive quirk of nature, that the community's heart opens to the agricultural wayfarer and engulfs him in a torrent of public and private benevolence. But the compassion passes with the emergency. The transient farmworker then finds himself again a voiceless, voteless outsider, wanted only so long as there is a crop to gather.

Now that the northward trek has begun, you can see him through the windows of a dilapidated bus, or sitting on an overturned bushel basket in the back of a truck, or crowded with his family and all their belongings in an automobile with threadbare tires. Or you will find him standing stolidly by the road while his crewleader tries to fix an ancient motor.

His route may carry him close to the launching pads that someday will start a man toward outer space, but his concern will be with the tarpaulin under which he huddles to avoid a pelting rain. His earthly goods are crammed into a galvanized wash-

tub, a gunny sack, and a cardboard valise or two. A patchwork quilt, a guitar, a one-legged doll, a Bible, a pinup torn from a magazine—these symbolize gracious living for the migrant.

Visit his lodgings, and you are likely to feel yourself back with Jeeter Lester on "Tobacco Road." The dismaying part of this feeling is that what you see represents a substantial improvement over the conditions of a few years ago.

Yet for every tidy migrant camp, there remain a dozen in which a displaced person would find it hard to escape memories of his days in a concentration camp. Narrow cubicles to house a family of six, with a bed, a kerosene stove, and a stark electric bulb as the sole furnishings; stopped-up plumbing in the central sanitary units and a general atmosphere of filth and neglect are the hallmarks of these blue-sky slums.

A Catholic priest told a Senate subcommittee a few months ago that he visited a migrant family in Indiana one evening to bring two pairs of shoes for children who needed them to go to school. The family consisted of father, mother, and eight youngsters, packed into a cabin that measured 14 by 21 feet. As the priest was leaving, the eldest daughter asked whether the church could supply some baby clothes.

The priest said "Yes," and asked to see the baby. The girl's reply was that her mother was going to give birth that night. The mother was resting on the bed in the dim light at the rear of the cabin, and it was only then that the priest discovered she had been planning to deliver without medical assistance in the crowded room. He rushed her to South Bend, where she had the baby in a hospital less than 2 hours later.

Such stoicism is characteristic of the migrant. In a period of rising social restlessness, this most rootless of Americans shows little disposition to rebel or even to rail against his lot.

The chairman of the subcommittee investigating migrant problems, Senator HARRISON A. WILLIAMS of New Jersey, got an insight into how little it takes to make some migrants happy when he inspected a shack within sight of Princeton's spires. It was a tumbledown hut, with no table or chairs—merely a bed, a two-burner stove, and a board for pots and pans. But what made it home for the lady of the house was an orange crate set on end and covered with a strip of oil cloth, on which nestled her jam and condiments. "Since I got my shelf, everything is lovely," she told the Senator.

Perhaps the cruellest part of the migrant's plight is that much of his underemployment and depressed wage status stems from his involuntary competition with a group of workers even more deprived than he. This group is made up of the 450,000 Mexican nationals (known as braceros, from the Mexican word for strong-armed men) who are brought in each year to do contract labor on large farms in Texas, California and other Southwestern States.

They are a legalized version of the wetbacks who used to ford the Rio Grande until the exploitation to which they were subjected and their undercutting effect on the already abysmal standards of domestic farm labor forced a joint decision by the United States and Mexico to stop the illicit movement.

Now a panel of consultants appointed by Secretary of Labor Mitchell reports that abuses are ingrained in the program setup to prevent unfair competition between the American migrants and the Mexicans. Its conclusion is that wage levels have been forced down and domestic workers frozen out of jobs in regions dominated by what the AFL-CIO calls "imported colonialism."

The whole program functions like a transplant from "Alice in Wonderland." Its aim is to confine the employment of foreign



workers to crops deemed essential by Secretary of Agriculture Benson. But he declares no commodities nonessential, not even those the taxpayers are already being charged millions of dollars to store as surplus. The result is that 60 percent of the braceros work on crops in surplus supply.

The synthetic character of the "labor shortage" they come to relieve is best illustrated in Texas, which imported 225,000 Mexican nationals to work in its fields last year. The vacuum they filled was created in large measure by the departure of tens of thousands of Texans of Mexican extraction for migratory jobs at higher pay in Oregon, Washington, and the Midwest. Little wonder that Secretary Mitchell and many other experts have concluded that establishment of a Federal minimum wage for farmworkers is imperative.

The difficulty is in piercing the political and economic walls that have long blocked the extension to migrants of the same social benefits the rest of us take for granted. In a year when farm income is down 16 percent and farmers are vowing vengeance at the polls, few ranking Republicans or Democrats are eager to accept responsibility for raising farm-labor costs or otherwise antagonizing farm operators.

The growers contend that all the pressure for intensified regulation comes from do-gooders and know-nothings. They speak glowingly of the character-building effect of living and working together in family groups. They extol a calling that enables the migrant to indulge the same sunworshipping urge as the millionaire with a summer estate in the North and a winter retreat in the South. They rattle off the records of a laborer with three children under 16 who made \$1,039.89 in a month picking strawberries or one with six children who made \$613.30 in 2 weeks.

And in almost the same breath they complain that many migrants turn decent housing into pigsties, drink, fight and comport themselves at a jungle level of morality. They see no reason why they should be expected to pay an industrial wage to workers whom industry has rejected or bypassed, and they warn that pushing up costs not only will make food and cotton more expensive to the consumer but also will price the migrant out of the labor market and hasten his replacement by machines.

The champions of improved standards are less sure that higher farm wages will actually mean higher food prices. They rely on the increased incentive for investing in labor-saving equipment to step up productivity and thus neutralize much of the rise in the total labor bill. This expectation is heightened by the extent to which the rovers are concentrated in huge factories-in-the-field, rather than on the vanishing family farm.

The great bulk of all migrants and braceros work on 5 percent of the country's farms; the lower their pay scales, the tougher it is for the family farmer to compete with these "agribusinesses." Yet the front for most of the pleas to exempt farm laborers from protective legislation is provided by the hardships that would be inflicted on the very farmers who don't hire them.

The friends of the migrant are unimpressed with the suggestion that he is too barbaric to respect good housing. To argue that, having been born to squalor, he revels in its perpetuation is to repeat the classic defense of slum landlords in the "lung blocks" of the old East Side that it was pointless to give immigrant tenants bathtubs because they would merely use them to store coal.

Already scores of big farmers in all sections have discovered that decent housing is a potent lure for good workers. They come, they stay, and they sign up to come again next year. Church groups supply volunteers to teach the women the rudiments of homemaking.

The greatest problem for the instructors, accustomed to such comforts as refrigerators, washing machines, private bathrooms, telephones, rugs, and pictures on the wall, is to realize how distant these appurtenances of normal existence are from the special world of the migrant.

A carpentry teacher was blithely showing a group of youthful farm workers how to make bookends before it was brought home to him that they had neither books nor tables to put them on. An instructor in home nursing found she had lost her class after painstakingly telling them how to make their sick husbands or children feel better. "Use plenty of pillows, and be sure to brighten up the bed tray with a flower," was her tinkling advice.

Out of such experiences does come better understanding between the residents of nowhere and the communities they touch. But real acceptance has yet to be achieved. The wanderers remain orphans in a welfare state, as much in need of the sheltering arm of government as they were in 1951 when President Truman's Commission on Migratory Labor dubbed them "children of misfortune."

Ironically, one of the places they need protection most is to curb the rapacity of the unscrupulous among their own crew leaders and labor contractors. These are the middlemen who link migrant and grower in a hiring system more susceptible to rackets than the outlawed "shapeup" on the New York-New Jersey waterfront.

The crew leaders yank themselves out of the migrant stream by their own will to succeed. Too often their success is built on kickbacks, jacked-up prices for food and liquor, and a monopoly over gambling, prostitution, and marijuana. A recent report by the Oregon Bureau of Labor indicated that the four largest Spanish-speaking labor contractors in the West received direct fees totaling \$8,625 to \$17,250 a week from their 5,750 crew members. And this, it was emphasized, was only part of their take.

If any farm-labor bill goes through Congress this year, it will probably be one calling for the registration of crew leaders and the filing of reports intended to eradicate chiseling.

The discovery by the Williams subcommittee that at least half the 100,000 migrant children of school age are 1 to 4 years behind in scholastic attainment has prompted a bill to provide Federal funds for educating such youngsters in local schools. Companion measures would finance special courses to train grownups in the fundamentals of modern living and make available Government-insured loans to help substitute homes for hovel.

Whether these efforts can be meaningful without a frontal attack on low farm pay is conjectural. But the prospect of any real battle in Congress this year to extend the principles of the Fair Labor Standards Act to farm workers seems nil.

The only bit of social legislation that treats the migrant as a first-class citizen is the old-age insurance program of the Federal Social Security Act. And even here collection abuses by employers and crew leaders cheat many migrants out of their eligibility rights.

Migrants are almost total outsiders in unemployment insurance, and only in California, Ohio and Hawaii do they have the same safeguards under workmen's compensation as other workers. Residency laws bar them from public relief in most States and such commonplaces of industrial employment as paid vacations, holidays, sick leave, overtime and employer-financed pensions or welfare funds are unknown to them.

Farm organizations favor leaving it to the States to erect whatever new legal shields may be necessary. However, William L. Batt Jr., secretary of labor and industry in Penn-

sylvania, a State far ahead of most in developing a forceful labor code, says it will be 2005 or later before any kind of national protection emerges from State-by-State action.

Many experts believe that no real solution can be found until mechanization becomes so universal that the only seasonal farmworkers needed will be a relatively small force of mobile technicians enjoying the same high wages as the roving construction crews that build massive dams, hydroelectric plants and atomic energy installations.

But salutary as such a development may be in long-range terms, it points to a generation of migrationless migrants caught in a transitional squeeze that will make them largely public charges while they receive the retraining necessary to fit them for work in an urban setting.

Will such monumental problems be solved—both those that make the migrant's today so dark and those that shadow his tomorrow? This is the answer Secretary Mitchell gives:

"The migrant problem will not be ignored, nor can people be led to ignore it. Our community will find ways to solve it, and by community I mean the community of citizens that make up America, citizens with wisdom and compassion and good sense, and citizens who save their final censure for those who stand by and seem unable to find within their economy a place for conscience."

#### LOYALTY OATH PROVISION OF NATIONAL DEFENSE EDUCATION ACT OF 1958

MR. THURMOND. Mr. President, one of the more unfortunate pieces of legislation which, in all probability, will be considered by the Senate in the waning days of the 86th Congress will be S. 2929. This bill proposes to remove the requirement under the National Defense Education Act of 1958 that each student must file an affidavit that he does not believe in or advocate the overthrow of the Government by force or violence.

Legislation of similar import was reported to the floor of the Senate at the last session. The Senate, in its good wisdom and with a display of sound judgment, recommitted this legislation to the committee from whence it had unfortunately come.

There have been many organizations and educational institutions which have taken positions on this proposed legislation. The stand taken recently by the National Daughters of the American Revolution should command the attention and consideration of each of us who will be faced with this issue at a later time this year. This organization is known for its promotion of the principles of Americanism and its fight for the preservation of the form of government which our Founding Fathers endeavored to establish.

Last week at the 69th Continental Congress of the National Daughters of the American Revolution there was passed a resolution supporting the loyalty oath provision of the National Defense Education Act. This action once again reemphasizes the sound principles which serve as a hallmark of this great organization. It was my pleasure on March 21 to insert in the CONGRESSIONAL RECORD an editorial from the Sumter Daily Item of Sumter, S.C., which commended this outstanding organization

for resolutions which it had adopted in its last continental congress. It is a pleasure for me to once again call the attention of my colleagues to the actions of this organization, which consistently deserve the study of all good Americans.

**WILLIAM R. CONNOLE, VICE CHAIRMAN, FEDERAL POWER COMMISSION**

**Mr. PROXMIRE.** Mr. President, the President of the United States, at his press conference today, reaffirmed his statement that he would not reappoint as Chairman of the Federal Power Commission, Mr. William R. Connole. I should like to read a brief item from this week's issue of Time magazine, entitled "The Price of Dissent":

**THE PRICE OF DISSSENT**

The maverick on the Federal Power Commission is William R. Connole, 37, a Connecticut political independent. For the past 5 years Connole has built a reputation as a dissenter from his colleagues, a defender of the consumer by urging stricter regulation of natural gas prices. He was the lone dissenter in the precedent-setting C.A.T.C. case (Time, July 8, 1957), when the FPC allowed new field gas sales worth \$1 billion without final approval of the rates. Connole's dissent was implicitly endorsed by the U.S. Supreme Court when it criticized the FPC decision, upholding the contention of New York State's Public Service Commission that the failure to set firm rates did not sufficiently protect the consumer. Last week the White House confirmed reports that Dissenter Connole would not be reappointed when his term expires on June 22. His likely successor: Harold I. Baynton, now chief counsel to the Senate Commerce Committee.

Keen, combative, Connole is a Hartford lawyer who was appointed to the FPC in 1955 after serving as general counsel of the Connecticut Public Utilities Commission. When word got out that he was not to be reappointed, seven State public utility commissions protested. Unmoved, the White House said that the President decided not to reappoint Connole because he does not get along with the other Commissioners, has urged greater Federal control of gas than the administration believes is necessary. Explained a presidential aid: "There is no reason to keep a man in a job whose philosophy does not agree with that of the President."

I think this item from Time magazine is very appropriately entitled "The Price of Dissent." All Senators are well aware of the fact that the Federal Power Commission is supposed to be an independent agency, independent of the Executive as well as independent of Congress.

Before I comment further on this matter, I should like to read another brief article, which was published in last night's Washington Star.

The article is entitled "Mayors' Group Backs Connole," and reads as follows:

Some big city mayors have asked President Eisenhower to reappoint William R. Connole to the Federal Power Commission. They said Mr. Connole is the only Commissioner looking out for consumers of natural gas.

The United States Mayors' Committee on Natural Gas Legislation wired its appeal to Mr. Eisenhower yesterday. There have been unconfirmed reports that the President does not intend to reappoint Mr. Connole to the FPC when his 5-year term expires June 22.

Those unconfirmed reports were confirmed today by the President at his news conference.

Mayor Richardson Dilworth of Philadelphia, secretary of the group, said Mr. Connole was a "heroic exception" to what he called a do-nothing pattern of the other four Commissioners. Natural gas prices, he said, have risen almost seven times as fast as the average commodity in the past 6 years. The FPC regulates gas prices to consumers.

Mr. Dilworth protested any move to drop Mr. Connole, "the only member of the FPC from east of the Mississippi, the area in which most of the natural gas is consumed."

Mr. Connole, 37, who comes from Connecticut, was named to the \$20,000-a-year job by Mr. Eisenhower in 1955.

Along with other Commissioners, including FPC Chairman Jerome Kuykendall, Mr. Connole has acknowledged private talks with a lawyer for a gas company that had a case pending before the FPC.

Mr. Connole and the others have denied any impropriety in their off-the-record talks with the attorney, Thomas G. Corcoran.

The White House has declined to confirm or deny the reports that Mr. Connole is on the way out and Mr. Connole himself has refused to talk about it. Congressional sources said, however, that he was told by the White House some time ago that he would not be reappointed.

I should like to call attention to one more quotation, and this from a very interesting source—Petroleum Week, for June 19, 1959. Petroleum Week is a publication which is not exactly a trade association journal, but it speaks, in some cases, for the oil industry. The article is entitled "Four Government Officials Hold the Keys to Depletion, Gas Regulation, Oil Prices." It comments on the fact that Mr. Connole is the key to whether this country will have any kind of regulation in the interest of gas consumers. The article reads, in part:

While some FPC members have dragged their feet on producer regulation since the U.S. Supreme Court's Phillips gas decision in 1954, Connole, since his appointment in 1955, has strived for an early and workable method of determining producer gas prices.

Because he insists that production costs are a vital factor in rate determination, and because he is FPC's strongest adherent of regulation, Connole has become something of an enemy in the view of many gas producers.

But he has the respect of those who disagree with his views. "He is smart, he works hard, and he does his homework," says one Washington gas industry representative.

That is what a representative of the gas industry said concerning a man as to whom the President said today he thought he could find a better man for the job. The oil industry representatives themselves admit that Mr. Connole, who has fought against them and for the consumer, is smart, that he works hard, and does his homework. The gas industry representative continued by saying:

When he takes a stand on a case, you can argue his theory but seldom his knowledge of the case.

The article states that Connole has outstanding qualifications, and continues:

Looking at FPC's problems, Connole sees initial gas prices in contracts in south Louisiana as the most important short-range

difficulty. He wants FPC to start now to investigate producer rates, which rose from an average of 8 cents to 21 cents per thousand cubic feet, in 4 years. Connole says he doesn't know whether the prices are too high—or even too low—but he thinks a strong look is necessary.

Mr. President, this is the kind of man, a man with preeminent qualifications and ability, whom the President has decided not to reappoint.

Mr. Connole was a dissenter on the FPC, and the No. 1 defender of the consumer. In spite of the suggestion that he does not get along with the other commissioners, it appears that Mr. Connole has had the respect of much of the oil industry, even though he was a controversial figure, and they may not have liked some of his rulings.

Mr. President, apparently the only reason for dropping Mr. Connole from the Federal Power Commission is that he favors stricter control of the gas and oil industry than does the President. Although the President has a right to appoint the Commissioners, it seems a flagrant violation of the bipartisan principle on which these commissions are supposedly founded, when a Commissioner who was appointed as an independent, and who has given the public excellent service, is dropped because his views are not those of the President. In the Humphrey case, in the 1930's, the Supreme Court held that the President could not remove a member of one of the independent regulatory commissions just because the commissioner did not agree with the President's views in regard to how the commission should decide cases or conduct its business. It would seem to be a gross violation of the spirit of these commissions for the President to refuse, on such grounds of difference of opinion, to reappoint an able commissioner, and the only member of the commission who represents the interests of the consumers. This situation seems particularly unfortunate when we consider the fact that the President will be able to make a new appointment virtually on the eve of his leaving the office of President, and thus the appointment will carry over for a number of years into the term of the next President.

Mr. President, President Eisenhower has said he could find a better man to do this job. I ask, better for whom? For the consumers—I doubt it. For the big oil and gas boys—you bet your life.

As I have stated, the President has indicated that he will not reappoint the one and only member of the Federal Power Commission who is recognized as a fighting representative of the viewpoint of the consumers. This announcement comes after a sorry record of notorious acceptances of hospitality by the President's appointee to be the head of the Federal Communications Commission, and by the President's appointee to be the head of the Civil Aeronautics Board, and by some of the other Presidential appointees to the Federal Power Commission.

This situation should suggest, Mr. President, how tragically the "dice are loaded" against the consumers, by means of the operation of this administration.



We recall that Mr. Doerfer, the Chairman of the Federal Communications Commission, was entertained for 6 days on a yacht owned by the head of one of the companies which is subject to regulation by the Federal Communications Commission; and we recall that, more recently, Mr. Durfee was nominated by the President for membership on the Civil Aeronautics Board, and his nomination was confirmed by the Senate, after Mr. Durfee had accepted hospitality—which was paid for by some of the groups which that Commission is charged with regulating—at a Pinehurst golfing trip. We also recall that recently some of the other members of the Federal Power Commission accepted a free airplane trip from the big gas boys to the funeral of one of the members of that body.

Mr. President, how can the consumer possibly get a fair break in such a situation? Administration appointees are wined and dined by officials of the groups they are charged with regulating; but, despite that situation, those appointees are honored.

On the other hand, a Commissioner who has fought hard in the interests of the consumers is to be replaced, we understand; the President says he thinks he can find a better man.

Mr. President, I suggest that the Senate very carefully scrutinize the qualifications of any proposed successor of Mr. Connole. We should do this regardless of how excellent may be the senatorial contacts of the new appointee. That should be done pursuant to our recognition of the obligation of the Senate to see to it that the consumers of the country are represented by at least one member of the Commission who is willing to fight for their interests and, if not to serve on the Commission in the role of a successful champion for them, at least to serve there as an effective dissenter.

Mr. President, it has been with some reluctance that I have brought this matter to the attention of the Senate, because such a nomination does not come within the jurisdiction of any committee on which I serve, and therefore it is not a matter of immediate responsibility to me. However, I am deeply shocked by this situation, which even Time magazine—which is a very reluctant critic, at best, of President Eisenhower—has hit and hit hard, and when the mayors of various cities in the country have made their protest clear and emphatic, and when the public-utility commissioners have stated that they think Mr. Connole is a defender of the interests of the consuming public. This situation has developed at the very time when the general public is shocked by the notorious misbehavior of certain members of these Commissions who presumably are representing the public, but, in fact, are involved in a very unfortunate guest-host situation with the very persons and groups they are supposed to regulate. Mr. President, this is a classic example of gross disregard of the public interest in behalf of special interests. Anyone want to know why the price of gas, the cost of living goes up? Here is your answer.

#### PADRE ISLAND NATIONAL SEASHORE PARK BILL SHOULD BE PASSED IN THE FORM WHICH SECRETARY SEATON RECOMMENDS

Mr. YARBOROUGH. Mr. President, ever since introducing my original bill 2 years ago, I have believed and advocated that the proposed Padre Island National Seashore Park should be 100 miles long; that is, it should cover the entire portion of the 117-mile natural island beach not already lost through private development. A great many Texans and others support me in this position.

However, another group of Texans and other Americans who are interested in this exceptionally significant project favor retaining most of the island—about 70 miles of it—for private development, and setting aside only 50 miles, in the middle, for a national seashore park. This plan seems to me unworkable, principally for two reasons.

First, it would constitute a financial windfall to private promoters, because it would mean that the Government, with tax dollars, would build a 70-mile highway system from each end of the island, to provide access to the national seashore area in the middle of the island. Such a highway system would cost millions of tax dollars, and would serve to greatly enhance the price of seashore lots for the private developers.

Second, aside from the fact that the 50-mile area in the middle of the island would prove to be too small, in the years immediately ahead, a considerable portion of the middle part of the island is not the most desirable for use as a beach park because it is composed of mud flats instead of beautiful sand dunes.

A few days ago, Secretary of the Interior Fred Seaton wrote to the able and distinguished Senator from Montana [Mr. MURRAY] a letter advising the Committee on Interior and Insular Affairs that the Department of Interior urges the enactment of legislation to create Padre Park and similar seashore areas on Cape Cod and the Oregon Dunes. In his letter, Secretary Seaton followed the recommendation of National Park Advisory Board, and suggested that approximately 88 miles of this 117-mile-long island be set aside for the Padre Island National seashore area.

Mr. President, I submit that is a fair and reasonable compromise of the question of area. And in writing to the Senator from Montana, the chairman of the Committee on Interior and Insular Affairs, which is considering my bill, S. 4, to create a Padre Island seashore area, I have stated that I will consider it significant and constructive if the Congress establishes an 88-mile-long park on Padre Island. I am giving my full support and effort to getting a park of this size, although personally I would prefer to have the park be 100 miles long. But I regard the 88-mile section a substantial part of it.

At the same time, I hope that those who have favored the small 50-mile park in the middle of the island will likewise give some ground, and will agree to work for the establishment of the

88-mile park recommended by Secretary Seaton, and will help secure the enactment of such legislation at this session.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the text of my letter on this question to Senator MURRAY; and also the text of the proposed bill which Secretary Seaton favors, and which I am supporting as a substitute for my bill, S. 4.

On April 15, Secretary Seaton forwarded the substitute to the chairman of the Committee on Interior and Insular Affairs [Mr. MURRAY] and recommended enactment of the bill.

There being no objection, the letter and the proposed bill were ordered to be printed in the RECORD, as follows:

APRIL 23, 1960.

The Honorable JAMES E. MURRAY,  
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: I have reviewed, with great pleasure, Secretary of the Interior Fred Seaton's letter to you of April 15, endorsing legislation proposing national seashore areas at Cape Cod, Padre Island, and the Oregon Dunes. I am very gratified that the Department of Interior has joined the many who favor action on these proposals.

In studying the draft legislation proposed by the Department of Interior, I am somewhat disappointed that they did not recommend acquiring a full 100 miles of beach for the Padre Island area; however, I shall consider it a significant and constructive step if the recommended 88-mile length is authorized by the Congress. I think this recommended 88-mile length is the minimum length that should be considered. In other respects, I support the Department of Interior's recommended legislation as a substitute for my bill, S. 4, with perhaps minor changes to be revealed by additional study.

I hope that the Committee on Interior and Insular Affairs will soon take such favorable action as will enable Padre Island seashore area legislation to be enacted this session.

With best wishes, I am,

Sincerely,

RALPH W. YARBOROUGH.

#### SUGGESTED REVISION OF SEASHORE BILL

A bill to save and preserve, for the public use and benefit, a portion of the remaining undeveloped seashore of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to save and preserve, for purposes of public recreation, benefit, and inspiration, a portion of the diminishing seashore of the United States that remains undeveloped, the Secretary of the Interior is hereby authorized to take appropriate action in the public interest toward the establishment of three national seashores set forth in section 2 of this Act.

SEC. 2. (a) The area comprising that portion of the land and waters located in the towns of Provincetown, Truro, Wellfleet, Eastham, Orleans, and Chatham in the Commonwealth of Massachusetts, and described in subsection (b), is designated for establishment as Cape Cod National Seashore.

(b) The area referred to in subsection (a) is described as follows:

Beginning at a point in the Atlantic Ocean one-quarter of a mile due west of the mean low-water line of the Atlantic Ocean on Cape Cod at the westernmost extremity of Race Point, Provincetown, Massachusetts;

thence from the point of beginning along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean, Cape Cod Bay, and Provincetown Harbor in generally southerly, easterly, and northerly directions rounding Long Point and then southwesterly to a point a quarter of a mile offshore of the mean low-water line on the harbor side of the dike depicted on the United States Geological Survey Provincetown quadrangle sheet (1949) crossing an arm of the Provincetown Harbor;

thence northerly, along a line a quarter of a mile offshore of and parallel to the low-water line at the dike to a point easterly of the point of intersection of the sand dike with the boundary of the Province Lands Reservation as depicted on the said Provincetown quadrangle sheet;

thence westerly to the said point of intersection of the dike and the Province Lands Reservation boundary;

thence along the boundaries of the Province Lands Reservation northwesterly, northeasterly, northerly, and easterly to the easternmost corner of the Reservation being near United States Route 6;

thence leaving the said easternmost corner along an extension of the southerly Reservation boundary line easterly to the northerly right-of-way line of United States Route 6;

thence along the northerly right-of-way line of United States Route 6 in a generally easterly direction crossing the Truro-Provincetown town line to and continuing in the town of Truro to a point four-tenths of a mile southeasterly of Highland Road;

thence leaving the northerly right-of-way line of United States Route 6 and running due east two-tenths of a mile;

thence turning and running in a southeasterly direction paralleling the general alignment of United States Route 6 and generally distant therefrom two-tenths of a mile crossing Pamet Road and continuing to a point three-tenths of a mile southerly thereof;

thence westerly to the intersection of Old County Road and Mill Pond Road;

thence southerly along the easterly right-of-way line of Old County Road to Fisher Road;

thence westerly along the southerly right-of-way line of Fisher Road to the right-of-way line of the New York, New Haven, and Hartford Railroad;

thence southerly along the easterly right-of-way line of the railroad for three-tenths of a mile;

thence due west to a point in Cape Cod Bay one-quarter of a mile distant from the mean low-water line;

thence turning and running along a line a quarter of a mile offshore of and parallel to the mean low-water line of Cape Cod Bay in a general southerly and easterly direction rounding Jeremy Point and thence in a general northerly direction along a line a quarter of a mile offshore of and parallel to the mean low-water line on the westerly side of Wellfleet Harbor to a point one-quarter of a mile due north of the mean low-water line at the eastern tip of Great Island as depicted on the United States Geological Survey Wellfleet quadrangle sheet (1949);

thence leaving Wellfleet Harbor and running three-tenths of a mile northwesterly to the top of a ridge between Herring River and the Chequesset Country Club as depicted on the said Wellfleet quadrangle sheet;

thence northeasterly along the said ridge continuing across Mill Creek on a straight line following in general a ridge and crossing the right-of-way of the New York, New Haven, and Hartford Railroad to a point two-tenths of a mile northeasterly thereof;

thence due north to a point three-tenths of a mile beyond the Bound Brook Island Road;

thence generally easterly following the southerly contour of a marsh, as depicted on the said Wellfleet quadrangle sheet crossing United States Route 6, and continuing to a point on the easterly right-of-way line of a power transmission line as depicted on the said Wellfleet quadrangle sheet;

thence in a general southerly direction along the said easterly right-of-way line of a power transmission line, crossing the Eastham-Wellfleet town line, to the intersection of said easterly right-of-way line with the easterly right-of-way of Nauset Road;

thence in a general southeasterly direction along said easterly right-of-way line of Nauset Road to the intersection of Nauset Road and Salt Pond Road;

thence crossing said Nauset Road and running along the easterly right-of-way line of said Salt Pond Road to its intersection with the southerly right-of-way line of Nauset Road;

thence westerly along the southerly right-of-way line of Nauset Road to its intersection with the easterly right-of-way line of United States Route 6;

thence southerly along the easterly right-of-way line of United States Route 6 to a point four-tenths of a mile southerly of the intersection of Locust Road and United States Route 6;

thence easterly to a point one-tenth of a mile from United States Route 6;

thence turning and running in a generally southerly direction paralleling the general alignment of United States Route 6 and generally distant therefrom one-tenth of a mile to a small stream approximately one-tenth of a mile beyond Governor Prentice Road extended;

thence southeasterly along the stream and continuing to the Orleans-Eastham town line;

thence along the Orleans-Eastham town line to the southerly tip of Stony Island;

thence generally southerly in the town of Orleans to the easterly edge of the Nauset Harbor Channel as depicted on the United States Geological Survey Orleans quadrangle sheet (1946);

thence in a generally southerly direction along the said easterly edge of the Nauset Harbor Channel to a point due south of the southwesterly tip of Nauset Beach on the north side of the entrance to Nauset Harbor from the Atlantic Ocean as depicted on the said Orleans quadrangle sheet;

thence due south to the twenty-foot contour in Nauset Heights as delineated on the said Orleans quadrangle sheet;

thence generally southerly along the said twenty-foot contour to a point about one-tenth of a mile northerly of Beach Road;

thence southwesterly along a line intersecting Beach Road at a point two-tenths of a mile easterly of the so-called Nauset Road leading northerly to Nauset Heights;

thence southerly to the head of a tributary to Little Pleasant Bay at the northerly tip of Pochet Neck as depicted on the said Orleans quadrangle sheet;

thence generally southerly along the thread of channel of the said tributary passing westerly and southwesterly to Pochet Island and thence southwesterly into Little Pleasant Bay passing to westerly of the northerly tip of Sampson Island, the westerly tip of Money Head, and the southwesterly tip of Hog Island following in general the center line of Little Pleasant Bay to Pleasant Bay;

thence generally southeasterly in Pleasant Bay along a line passing midway between Sipson Island and Nauset Beach to a point on the Chatham-Orleans town line one-quarter of a mile westerly of the mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach;

thence generally southerly in Pleasant Bay in the town of Chatham along a line a

quarter of a mile offshore of and parallel to the said mean low-water line of Pleasant Bay on the westerly shore of Nauset Beach to a point a quarter of a mile south of the mean low-water line of the southern tip of Nauset Beach;

thence easterly rounding the southern tip of Nauset Beach along a line a quarter of a mile offshore of and parallel thereto;

thence generally northerly and northwesterly, and westerly along a line a quarter of a mile offshore of and parallel to the mean low-water line of the Atlantic Ocean on the easterly shore of Nauset Beach and on to the outer cape to the point of beginning.

Also included in such area are lands located in the town of Chatham and more particularly described as follows:

Beginning at a point on the northwesterly corner of the boundary of Monomoy National Wildlife Refuge at the mean low-water line on the western shore of Morris Island;

thence generally southerly, westerly, southerly, easterly, and northerly along the exterior boundary line of said Monomoy National Wildlife Refuge to a point on the northeasterly corner of said refuge located on the mean low-water line on the eastern shore of Morris Island;

thence northerly, westerly, and southerly along the mean low-water line of Morris Island and Stage Island to the point of beginning.

(c) The area comprising the portion of the land and waters of Padre Island situated in the coastal waters that is described below is designated for establishment as the Padre Island National Seashore:

Beginning at a point one mile northerly of North Bird Island on the easterly line of the Intracoastal Waterway; thence due east to a point on Padre Island one mile west of the mean high water line of the Gulf of Mexico; thence southwesterly paralleling the said mean high water line of the Gulf of Mexico, a distance of about 3.5 miles; thence due east to the two-fathom line on the east side of Padre Island as depicted on U.S. Coast and Geodetic Survey Chart No. 1286; thence along the said two-fathom line on the east side of Padre Island as depicted on U.S. Coast and Geodetic Survey Charts Nos. 1286, 1287, and 1288 for a distance of approximately 85 miles; thence westerly crossing Padre Island to the easterly line of the Intracoastal Waterway at a point northerly of Three Islands; thence northerly following the easterly line of the Intracoastal Waterway as indicated by channel markers in the Laguna Madre to the point of beginning.

(d) The area comprising the portion of the land and waters along the Oregon coast, and described in subsection (e), is designated for establishment as the Oregon Dunes National Seashore.

(e) The area referred to in subsection (d) is described as follows:

Township 18 south, range 12 west, beginning at the southeast corner of the southwest quarter of the southwest quarter of section 34;

Thence east to the southwest corner of the southeast quarter of the southeast quarter of the said section 34;

South to the southeast corner of the southwest quarter of the northeast quarter of section 10, township 19 south, range 12 west;

West to the southwest corner of the southeast quarter of the northwest quarter of the said section 10;

South to the northwest corner of the southwest quarter of the southeast quarter of section 15;

East to the point of intersection with the shoreline of Woahink Lake at elevation thirty-eight feet above sea level;

Following the said shoreline generally north and east to the intersection of the said



shoreline with the quarter section line of section 11;

East to the northeast corner of the southeast quarter of the said section 11;

South to the southeast corner of the said section;

East to the northeast corner of section 13;

South to the southeast corner of the said section 13;

East to the northeast corner of the northwest quarter of section 19, township 19 south, range 11 west;

South to the southeast corner of northwest quarter of the said section 19;

East to the northeast corner of the northwest quarter of the southeast quarter of the said section 19;

South to the southwest corner of the northeast quarter of the northeast quarter of section 31;

West to the northwest corner of the southwest quarter of the northeast quarter of the said section 31;

South to the southwest corner of the northeast quarter of section 7, township 20 south, range 12 west;

West to the southeast corner of the northwest quarter of section 12, township 20 north, range 12 west;

North to the northeast corner of the southeast quarter of the northwest quarter of section 12;

West to the west right-of-way of Southern Pacific Railway in section 11, township 20 south, range 12 west;

In a generally southerly and westerly direction along Southern Pacific Railway west right-of-way to the intersection with the line between section 11 and section 14;

West to the southeast corner of the southwest quarter of the southwest quarter of section 11;

North to the northeast corner of the northwest quarter of the southwest quarter of section 11;

West to the southeast corner of the northwest quarter of section 10;

North to the northeast corner of the southeast quarter of the northwest quarter of section 8;

West to the northwest corner of the southeast quarter of the northwest quarter of section 3;

North to the northeast corner of the northwest quarter of the northwest quarter of section 3;

West to the northwest corner of section 3;

South to the northwest corner of the southwest quarter of section 3;

West to the northwest corner of the southeast quarter of section 4;

South to the southwest corner of the southeast quarter of section 4;

West to the southwest corner of the southeast quarter of the southwest quarter of section 4;

South to the northeast corner of the northwest quarter of the southwest quarter of section 9;

West to the northwest corner of southwest quarter of section 9;

South along section lines to the point of intersection on the north bank of the Umpqua River with the mean low tide line at a point on a line between section 16 and section 17, township 21 south, range 12 west;

Following the said mean low tide line in a generally southerly and westerly direction to the intersection with the Pacific Ocean, section 1, township 22 south, range 13 west;

Due west 1,320 feet;

In a generally northerly direction paralleling the mean low tide line on the shore to a point due west of the said mean low tide line on the south bank of the mouth of the Siuslaw River;

East to the said mean low tide line on the south bank of the mouth of the Siuslaw River, section 16, township 18 south, range 12 west;

Following the said mean low tide line in a generally southerly and easterly direction to its intersection with a line due north of the point of beginning;

Due south to the point of beginning;

Beginning at a point where the line between ranges 12 west and 13 west (Willamette Meridian), in township 22 south, intersects the mean low tide line on the south shore of Winchester Bay at the mouth of the Umpqua River;

Thence following the said mean low tide line easterly and southerly along the said south shore of Winchester Bay and the west bank of Winchester Creek to its intersection with the west right-of-way boundary of United States Highway Numbered 101, township 22 south, range 12 west;

Following the said right-of-way boundary in a generally southerly direction to its intersection with the mean low waterline on the north bank of Tenmile Creek, in section 13, township 23 south, range 13 west;

Following the said mean low water line along the north bank of the said Tenmile Creek in a generally southwesterly direction to the mean low tide line of the Pacific Ocean at the mouth of the said Tenmile Creek;

Due west 1,320 feet;

In a generally northerly direction paralleling the said mean low tide line on the shore to a point due west of the said mean low tide line on the south bank of the mouth of the Umpqua River;

East to the said mean low tide line on the south bank of the mouth of the Umpqua River, in section 14, township 22 south, range 13 west;

Following the said mean low tide line in a generally northerly and easterly direction to the point of beginning.

(f) The Oregon Dunes National Seashore may be extended by Executive Order of the President at some future time by the addition of a separate unit known as Sea Lion Caves after consultation with and consideration of the recommendation of the Governor of the State of Oregon, said separate unit to include the land, water, and submerged land area in the vicinity of Sea Lion Caves, the exterior boundary limit of which is specifically described as follows:

Township 17 south, range 12 west, beginning at the northeast corner of section 4;

Thence east to the northeast corner of the northwest quarter of the northwest quarter of section 3;

South to the northeast corner of the northwest quarter of the southwest quarter of the said section 3;

East to the northeast corner of the southwest quarter of the said section 3;

South to the southeast corner of the southwest quarter of the said section 3;

West to the southwest corner of the said section 3;

Due west 3,960 feet;

Due north to a point due west of the point of beginning;

Due east to the point of beginning.

(g) If the Secretary of the Interior finds that any parcel within the Tahkenitch Lake unit is not being used in its entirety primarily for the growth and harvesting of timber on a sustained yield basis, he may, by publishing notice in the Federal Register, extend the boundaries of the Seashore to include said parcel. As used in this subsection, the phrase "parcel within the Tahkenitch Lake unit" means each ownership of land, water, and submerged land within the following described area:

Beginning at the northwest corner of section 13, township 20 south, range 12 west;

South to the southeast corner of section 23;

East to the northeast corner of the northwest quarter of the northwest quarter of section 25;

South to the southeast corner of the southwest quarter of the northwest quarter of the said section 25;

East to the northeast corner of the northwest quarter of the southeast quarter of the said section 25;

South to the southeast corner of the southwest quarter of the southeast quarter of the said section 25;

West to the southeast corner of the southwest quarter of the said section 25;

South to the southeast corner of the northwest quarter of section 36;

West to the southwest corner of the southeast quarter of the northwest quarter of the said section 36;

South to the southeast corner of the southwest quarter of the southwest quarter of the said section 36;

West to the northeast corner of the northwest quarter of the northeast quarter of section 2, township 21 south, range 12 west;

South to the southeast corner of the southwest quarter of the northeast quarter of the said section 2;

West to the southwest corner of the northeast quarter of the said section 2;

South to the southeast corner of the northeast quarter of the southwest quarter of the said section 2;

West to the southwest corner of the northwest quarter of the southwest quarter of the said section 2;

South to the southwest corner of the said section 2;

West to the northeast corner of the northwest quarter of the northeast quarter of section 10;

South to the southeast corner of the northwest quarter of the northeast quarter of the said section 10;

West to the northeast corner of the southwest quarter of the northwest quarter of the said section 10;

South to the southeast corner of the southwest quarter of the northwest quarter of the said section 10;

Due west to the point of intersection with the east right-of-way boundary of United States Highway Numbered 101;

Following the said right-of-way boundary in a generally westerly and northerly direction to the point of intersection with the section line between sections 4 and 5, township 21 south, range 12 west;

North to the northwest corner of the southwest quarter of section 9, township 20 south, range 12 west;

East to the northeast corner of the northwest quarter of the southwest quarter of section 9;

North to the southwest corner of the southeast quarter of the southwest quarter of section 4;

East to the southwest corner of the southeast quarter of section 4;

North to the northwest corner of the southeast quarter of section 4;

East to the northwest corner of the southwest quarter of section 3;

North to the northwest corner of section 3;

East to the northeast corner of the northwest quarter of the northwest quarter of section 3;

South to the northwest corner of the southeast quarter of the northwest quarter of section 3;

East to the northeast corner of the southeast quarter of the northwest quarter of section 3;

South to the southeast corner of the northwest quarter of section 10;

East to the northeast corner of the northwest quarter of the southwest quarter of section 11;

South to the southeast corner of the southwest quarter of the southwest quarter of section 11;

East to the point of beginning.

(h) Upon approval of extensions of the seashore as provided in subsections (f) and (g), the provisions of section 3 shall become applicable to the extensions.

Sec. 3. (a) The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized to acquire by donation, purchase with donated or appropriated funds, condemnation, transfer from any Federal agency, exchange, or otherwise, the land, waters, and other property, and improvements thereon and any interest therein, within the areas described in section 2 of this Act or which lie within the boundaries of a seashore as established under section 4 of this Act (hereinafter referred to as "such area"). Any property, or interest therein, owned by a State or political subdivision thereof may be acquired only with the concurrence of such owner. Notwithstanding any other provision of law, any Federal property located within such area may, with the concurrence of the agency having custody thereof, be transferred without consideration to the administrative jurisdiction of the Secretary for use by him in carrying out the provisions of this Act.

(b) The Secretary is authorized to pay for any acquisitions which he makes by purchase under this Act their fair market value, as determined by the Secretary, who may in his discretion base his determination on an independent appraisal obtained by him.

(c) In exercising his authority to acquire property by exchange, the Secretary may accept title to any non-Federal property located within such area and convey to the grantor of such property any federally owned property under the jurisdiction of the Secretary within such area. The properties so exchanged shall be approximately equal in fair market value, provided that the Secretary may accept cash from or pay cash to the grantor in such an exchange in order to equalize the values of the properties exchanged.

Sec. 4. (a) As soon as practicable after the date of enactment of this Act and following the acquisition by the Secretary of an acreage in each area described in section 2 of this Act, that is in the opinion of the Secretary efficiently administrable to carry out the purposes of this Act, the Secretary shall establish the area as a national seashore by the publication of notice thereof in the Federal Register.

(b) Such notice referred to in subsection (a) of this section shall contain a detailed description of the boundaries of the seashore which shall encompass an area as nearly as practicable identical to the area described in section 2 of this Act. The Secretary shall forthwith after the date of publication of such notice in the Federal Register (1) send a copy of such notice, together with a map showing such boundaries, by registered or certified mail to the Governor of the State and to the governing body of each of the political subdivisions involved; (2) cause a copy of such notice and map to be published in one or more newspapers which circulate in each of the localities; and (3) cause a certified copy of such notice, a copy of such map, and a copy of this Act to be recorded at the registry of deeds for the county involved.

Sec. 5. (a) Any owner or owners (hereinafter in this subsection referred to as "owner") of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of his property for non-commercial residential purposes for a term not to exceed twenty-five years, or for a term ending at the death of such owner, the death of his spouse, or the day his last surviving child reaches the age of twenty-one, whichever is the latest. The owner shall elect the term to be reserved. In any case where such an owner retains a right of

use and occupancy as herein provided, such right may during its existence be conveyed or leased, in whole, but not in part. The Secretary shall pay to the owner the fair market value of the property on the date of such acquisition less the fair market value on such date of the right retained by the owner.

(b) The Secretary's authority to acquire property by condemnation shall be suspended with respect to all improved property located in all of the towns referred to in section 2(a) of this Act for one year following the date of its enactment. Thereafter such authority shall be suspended with respect to all improved property in any of such towns during all times when such town shall have in force and applicable to all property under its jurisdiction and within the established seashore a duly adopted, valid zoning bylaw approved by the Secretary in accordance with the provisions of section 6 of this Act.

(c) The Secretary's authority to acquire property by condemnation shall be suspended with respect to any particular property in the area referred to in section 2(b) of this Act which is used for commercial or industrial purposes during any periods when such use is permitted by the Secretary and during the pendency of the first application for such permission made to the Secretary after the date of enactment of this Act provided such application is made not later than the date of establishment of the seashore.

(d) As used in this Act, the term "improved property" shall mean a private non-commercial dwelling, including the land on which it is situated, whose construction was begun before September 1, 1959, and structures accessory thereto (hereinafter in this subsection referred to as "dwelling"), together with such amount and locus of the property adjoining and in the same ownership as such dwelling as the Secretary designates to be reasonably necessary for the enjoyment of such dwelling for the sole purpose of noncommercial residential use and occupancy. In making such designation the Secretary shall take into account the manner of noncommercial residential use and occupancy in which the dwelling and such adjoining property has usually been enjoyed by its owner or occupant. The amount of such adjoining property to be so designated by the Secretary shall in no case be less than three acres in area, or all of such lesser amount as there may be, except that the Secretary may exclude from the amount of adjoining property so designated any beach or waters, together with so much of the land adjoining such beach or waters as the Secretary may deem necessary for public access thereto.

(e) When acquiring land, waters, or interests therein for the Padre Island National Seashore, the Secretary may permit a reservation by the grantor of all or any part of the minerals in such land or waters, with the right of occupation and use of so much of the surface of the land or waters as may be required for all purposes reasonably incident to the mining or removal of the minerals, under such regulations as may be prescribed by the Secretary.

Sec. 6. (a) As soon as practicable following the date of enactment of this Act and thereafter as may be required to achieve the purposes of subsection (b) of this section, the Secretary shall issue regulations specifying standards for approval by him of town zoning bylaws for purposes of section 5 of this Act. Any such bylaw which meets such standards shall be approved by the Secretary upon application made to him for such approval.

(b) Any zoning bylaw approved in accordance with subsection (a) of this section shall contribute to the effect of (1) prohibiting the commercial and industrial use, other

than any commercial or industrial use which is permitted by the Secretary, of all property within the boundaries of the seashore which is situated within the town adopting such bylaw; and (2) promoting the preservation and development, in accordance with the purposes of section 1 of this Act, of the area comprising the seashore, by means of acreage, frontage, and setback requirements and other provisions which may be required by such regulations to be included in the zoning bylaw consistent with the laws of Massachusetts.

(c) No zoning bylaw shall be approved by the Secretary which (1) contains any provision which he may consider adverse to the preservation and development, in accordance with the purposes of section 1 of this Act, of the area comprising the seashore, or (2) fails to make provision for the Secretary to receive notice of any variance granted under and any exception made to the application of such bylaw, and notice of any amendment thereof.

(d) If any improved property, with respect to which the Secretary's authority to acquire by condemnation has been suspended in accordance with the provisions of this Act, is made the subject of a variance under or an exception to any zoning bylaw applicable to such improved property so as to exempt it from any applicable standards contained in regulations issued pursuant to this section, the Secretary may, in his discretion, at any time after the date when such exception is made terminate the suspension of his authority to acquire such improved property by condemnation.

Sec. 7. The Secretary shall furnish to any interested person requesting the same a certificate indicating with respect to any property located within the seashore as to which the Secretary's authority to acquire such property by condemnation has been suspended in accordance with the provisions of this Act, that such authority has been so suspended and the reasons therefor.

Sec. 8. (a) Except as otherwise provided in this Act, the property acquired by the Secretary under this Act shall be administered by the Secretary, subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535); as amended and supplemented, and in accordance with other laws of general application relating to the national park system as defined by the Act of August 8, 1953 (67 Stat. 496); except that authority otherwise available to the Secretary for the conservation and management of natural resources may be utilized to the extent he finds such authority will further the purposes of this Act.

(b) (1) The Secretary shall develop for appropriate public uses such portions of Cape Cod National Seashore as he deems especially adaptable for such uses, including swimming, boating, sailing, hunting, fishing, appreciation of historic sites and structures and the natural features of the Cape, and other activities of similar nature. The Secretary may also provide for the public enjoyment and understanding of the unique, natural, historic and scientific features and shall establish such trails, observation points and exhibits and provide such services as may be desirable for the purpose. Except for such public use areas and developments and except for improved property therein, the Seashore shall be permanently reserved as a primitive wilderness and no development of the Seashore or plan for the convenience of visitors shall be undertaken by the Secretary which would be incompatible with the preservation of the unique flora and fauna or the physiographic conditions now prevailing in the area described in section 2 of this Act or with the preservation of such historic sites and structures as he may designate.



(2) In developing the Cape Cod National Seashore established pursuant to this Act the Secretary shall, so far as practicable consistent with the provisions of paragraph (1) of this subsection, provide recreational and other facilities for the public in such places and manner as he determines will not diminish for its owners or occupants the value or enjoyment of any improved property located within the park.

(c) Notwithstanding any other provision of this Act, land and waters now or hereafter included in any migratory bird refuge within the boundaries of the Cape Cod National Seashore shall continue as such refuge under applicable laws and regulations, but such lands and waters shall be a part of the park and shall be administered by the Secretary for recreational uses not inconsistent with the purposes of such refuge under such rules and regulations as the Secretary may prescribe. Nothing in this Act shall limit the power of the Secretary to acquire lands and waters for any migratory bird refuge.

(d) The Secretary may permit hunting and fishing, including shellfishing, on lands and waters under his jurisdiction within such areas of the Cape Cod National Seashore as he may prescribe. The Secretary shall consult with officials of the State and any political subdivision thereof who have jurisdiction of hunting and fishing, including shellfishing, prior to the issuance of any regulations by the Secretary, and the Secretary is authorized to enter into cooperative arrangements with such officials regarding such hunting and fishing, including shellfishing, as he may deem desirable, except that the Secretary shall leave the regulation of the taking of shellfish in the towns referred to in section 2(a) of this Act to such towns.

(e) The Secretary is authorized to enter into cooperative agreements with the State of Oregon regarding rules pertaining to hunting and fishing and management programs pertaining to fish, game, wildlife, and wild furbearing animals which will not materially impair the scenic, scientific, and recreational features of the Oregon Dunes National Seashore.

Sec. 9. (a) There is hereby established a Cape Cod National Seashore Advisory Commission (hereinafter referred to as the Commission). The Commission shall terminate ten years after the date the Seashore is established.

(b) The Commission shall be composed of nine members each appointed for a term of two years by the Secretary as follows:

(1) Six members to be appointed from recommendations made by each of the boards of selectmen of the towns referred to in the section 2(a) of this Act, one member from the recommendations made by each such board;

(2) Two members to be appointed from recommendations of the Governor of the Commonwealth of Massachusetts; and

(3) One member to be designated by the Secretary.

(c) The Secretary shall designate one member to be Chairman. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made.

(d) A member of the Commission shall serve without compensation as such. The Secretary is authorized to pay the expenses reasonably incurred by the Commission in carrying out its responsibilities under this Act upon vouchers signed by the Chairman.

(e) The Commission established by this section shall act and advise by affirmative vote of a majority of the members thereof.

(f) The Secretary shall, from time to time, consult with the members of the Commission with respect to matters relating to the development of Cape Cod National Seashore,

and for that purpose shall consult with the members with respect to carrying out the provisions of section 5 and 6 of this Act.

(g) No permit for the commercial or industrial use of property located within the Seashore shall be issued by the Secretary without the advice of the Commission, and, after its termination, without the advice of the board of selectmen of the town affected, if such advice is submitted within a reasonable time.

Sec. 10. (a) The Secretary is authorized to permit the investigation for, and withdrawal of, ground water from the sand dunes and the conveyance thereof outside the boundary of the Oregon Dunes National Seashore for beneficial use, in accordance with the laws of the State of Oregon, and to permit the removal of surface water and the conveyance thereof outside the boundary of the seashore for beneficial use in accordance with the laws of the State of Oregon, when the welfare of the surrounding persons becomes dependent upon the use of such water: *Provided*, That the withdrawal and use of water for these purposes will not materially impair the scenic, scientific, and recreational features of the seashore.

(b) The Secretary is authorized to permit the transportation and disposal of domestic and industrial wastes within or through the Oregon Dunes National Seashore in accordance with standards established by the State of Oregon: *Provided*, That such disposal does not materially impair the scenic, scientific, and recreational features of the seashore.

Sec. 11. The Secretary may conduct such sand dune stabilization and erosion control

programs within the Oregon Dunes National Seashore as deemed necessary to insure the protection of man-made developments and the natural resources of the area, and he shall secure the advice of other Federal and State agencies to accomplish these purposes.

Sec. 12. No existing authority or responsibility of any Federal, State, or local governmental agency with respect to jurisdiction over and the construction, reconstruction, operation, and maintenance of any public highway shall be altered or affected by this Act or by the relocation of any such highway, but the Secretary may acquire jurisdiction over such highway by agreement with the administering agency pursuant to section 3 of this Act. In the event any such highway is relocated or reconstructed any increased cost attributable to the adoption of recommendations of the Secretary in any way therein shall be borne by funds available to him.

Sec. 13. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, except that no more than \$25,000,000 shall be appropriated for the acquisition of land and waters and improvements thereon, and interests therein, and incidental costs relating thereto, in accordance with the provisions of this Act.

Sec. 14. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

#### DEPARTMENT OF THE INTERIOR

Subject matter: Proposed legislation to establish 3 national seashores (Cape Cod, Padre Island, and Oregon Dunes National Seashores)

*Estimated additional man-years of civilian employment and expenditures for the 1st 5 years of proposed new or expanded programs*

	1st year	2d year	3d year	4th year	5th year
Estimated additional man-years of civilian employment:					
Executive direction:					
Acquisition project manager.....	1.5	3.0	3	3.0	3
Assistant acquisition project manager.....	1.5	3.0	3	3.0	3
Administrative assistant.....	3.0	4.5	6	9.0	3
Stenographic and clerical.....	3.0	4.5	6	9.0	6
Superintendent.....		3.0	3	3.0	3
Assistant superintendent.....				3.0	3
Total.....	9.0	18.0	21	30.0	21
Administrative services:					
Clerical.....			3	6.0	6
Administrative aid.....		3.0	3	3.0	3
Total.....		3.0	6	9.0	9
Substantive:					
Chief ranger.....		1.0	1	3.0	3
Ranger.....	2.5	3.0	5	9.0	15
Lifeguards.....	2.0	6.0	8	12.0	15
Laborers and craftsmen.....	1.0	3.0	4	5.5	15
Engineer.....	1.5	3.0	3	3.0	3
Architect.....	1.0	3.0	3	3.0	3
Landscape architect.....	1.5	3.0	3	3.0	3
Appraisers.....	3.0	4.5	6	6.0	6
Stenographic.....	1.5	3.0	3	3.0	3
Total.....	14.0	29.5	36	47.5	57
Total, estimated additional man-years of civilian employment.....	23.0	50.5	63	86.5	87
Estimated additional expenditures:					
Personal services.....	\$124,200	\$272,700	\$340,200	\$467,100	\$469,800
All other.....	2,415,800	5,067,300	7,079,800	8,132,900	7,769,200
Total estimated additional expenditures.....	2,540,000	5,340,000	7,420,000	8,600,000	8,239,000
Estimated obligations:					
Land and property acquisition.....	4,200,000	5,000,000	5,700,000	5,400,000	4,700,000
Development.....	650,000	2,614,000	1,629,000	1,879,000	1,099,000
Operations (management, protection, and maintenance).....	158,000	344,000	426,000	622,000	754,000
Total estimated obligations.....	5,008,000	7,958,000	7,755,000	7,901,000	6,553,000

## NUCLEAR TESTS AT THE SUMMIT

Mr. GORE. Mr. President, within a few days, President Eisenhower will depart for Paris, France, where he is to meet Prime Minister Macmillan, President de Gaulle, and Premier Khrushchev. Although there is no agenda for this conference, the Secretary of State and others have indicated a general assumption that disarmament in general and nuclear disarmament in particular will be discussed during the conference.

It is with a sense of seriousness and responsibility that I address the Senate on nuclear weapons tests policy, because I have been the majority party delegate-adviser to the conference from the Senate, because I am the only member of the majority party who is privileged to serve on both the Senate Foreign Relations Committee and the Joint Committee on Atomic Energy, because I am a member of the subcommittee on disarmament, and also because I have devoted a great deal of study to this problem. Constructive helpfulness with this complex subject, so fraught with danger, has been the earnest goal of my efforts.

Presumably, a discussion of nuclear disarmament at the summit conference will involve the proposal which President Eisenhower formally submitted to the Geneva Conference on February 11, 1960.

In the light of recent developments, including the testimony presented last week by a distinguished group of scientists to the Joint Committee on Atomic Energy, the technical foundation for the President's proposal of February 11 has been seriously questioned, if not weakened. Moreover, the insistence of General de Gaulle that the curbing of delivery systems take priority over test suspension threatens disagreement among the Western Powers.

Notwithstanding the limitations of technical and political feasibility, now more clearly recognized than before, the fact remains that the President of the United States formally submitted this proposal. Moreover, the conference, which has now proceeded for nearly 18 months, was proposed by President Eisenhower. American prestige is heavily invested. Our moral position and U.S. leadership in the family of nations are involved.

As I understand it, the U.S. proposal of February 11 is specifically made conditional upon the installation of an International Control Commission of the type envisaged by the 1958 Geneva Conference of Experts. The proposed organization and mechanism for detection would be worldwide, with agreed provisions for other nations to be brought within the terms of the treaty. Implicit in our proposal is insistence that the proposed Control Commission and its operations at various stages and levels be allowed to function freely, to the full extent of its technical capability.

As I understand the February 11 proposal, it is conditioned upon reaching satisfactory agreement with the Soviets on the composition of the proposed

seven-nation Control Commission, the staffing of inspection teams and control stations, voting procedures within the Control Commission, fiscal arrangements and operations of the Commission and subdivisions thereof, scientific criteria deemed to justify an onsite inspection of a suspicious event, freedom of movement and access by inspection teams, and an agreement upon a formula relating to physical and scientific facts the number of annual veto-free onsite inspections.

Obviously, if inspection and control are to be effective, the composition and procedures of the governing Control Commission must be such as to avoid either direct or indirect veto of the Commission's action by any party. Unless the staffs of any Control Commission are truly international in character, they cannot be expected to perform impartially. If either a control station or an inspection team is dominated by nationals of the country in which the control post is located, we shall simply have a situation in which the nation is, in effect, inspecting itself.

As I further understand President Eisenhower's proposal, it would exclude from the proposed treaty nuclear weapons tests conducted in outer space which are beyond present technical capability of detection and all underground tests which do not produce a seismographic reading of 4.75 magnitude.

Viewed within the strict confines of consideration of nuclear weapons tests as an isolated issue, the President's proposal of February 11 is subject to serious question, indeed. But the issue cannot be viewed narrowly. It cannot be viewed solely in the context of weaponry. As I have said, the President has made the proposal. I am confident he did so in utmost good faith, and in so doing he is committed to the proposal. It must be viewed in the light of the various concessions which we have made as further evidence of our sincere desire to make progress in the direction of disarmament and peace and to improve the degree of trust and confidence existing among major world powers. Under all the circumstances, Mr. President, it is my opinion that a treaty negotiated within the terms of our February 11 proposal, as I understand it, will merit sympathetic and favorable consideration by the U.S. Senate. This, I concede, requires resolution of some doubts in the interest of unified U.S. policy and purpose at this crucial time.

I am concerned, however, that our proposal of February 11, may be regarded by some as a mere bargaining position, just as the Russian proposal of March 19 appears to represent a bargaining position from their point of view. I hope this is not the case. However, we must not bargain away the principle of adequate safeguards. If we should, in our zeal to reach an agreement, make additional concessions beyond those contained in the February 11 proposal, if we should, in other words, seek to negotiate an agreement lying somewhere between our proposal and

that submitted by the Russians on March 19—which was nebulous indeed in actual, practical procedure—the result of such negotiation must necessarily be subjected to the most searching scrutiny by the U.S. Senate in the discharge of its constitutional responsibility relative to the ratification of treaties.

These sentiments and views have been expressed today out of concern for the firmness and the prestige of President Eisenhower's proposal on nuclear weapons tests. It is my view that every reasonable assurance of unity that is possible, within bounds of duty and conscience, including the resolution of some doubts in favor of support of the President at this particular time, is desirable, if not seriously needed.

Perhaps I shall be permitted to say that, in my view, President Eisenhower would be well advised to avoid involvement of this issue in partisan politics.

Mr. CLARK. Mr. President, will the Senator yield at that point?

Mr. GORE. I yield to the Senator from Pennsylvania.

Mr. CLARK. I am very happy to be on the floor when the Senator is making this splendid address. I should like to indicate my strong view in support of his position that a nuclear treaty is possible, is feasible; that we should give the President the benefit of the doubt; that further concessions are undesirable, but that we in the Senate will support, as the chairman of the Foreign Relations Committee said on the floor a little while ago, a good, sound treaty, because we know we have to take this menace of nuclear armament off the backs of the American people and see to it, if there is any way it can be done, that we and our children and grandchildren can live our lives out without the fear of nuclear fallout and without the fear of imminent destruction.

But I interrupted the Senator from Tennessee at this point because I particularly wanted to commend him for his assertion that President Eisenhower would be well advised to avoid involvement of this issue in partisan politics; and I view with something approaching alarm the Madison Avenue partisan statement that came out of Mr. Hagerty, at the White House, this morning suggesting that the Vice President would substitute for the President if the President felt he had to come back to this country in order to attend to his duties before the summit meeting had adjourned.

I particularly deplore the fact that this, in my judgment, slights the Secretary of State. I point out to my friend from Tennessee that during the 7 years and 4 months the Eisenhower administration has been in office there has never been a suggestion that anybody other than the Secretary of State should substitute for the President at a grave international conference.

I will ask my friend from Tennessee if it does not seem to him odd that this first insertion of the Vice President into our foreign affairs at the summit, where the lives and future safety of American citizens may well be involved, comes at



a time only 3 months before the Vice President of the United States is to become, so far as we can tell, the nominee of the Republican Party for President? Were it not for this timing, I do not have any doubt in my mind at all that we would not have had Mr. Hagerty's statement from the White House this morning. I should like to have my friend's comment on that matter.

Mr. GORE. Mr. President, I had not intended in this speech to comment upon this political episode, but since I have been requested to do so I shall express some brief views.

There has been a tendency in the administration to downgrade and to minimize the importance of this conference. A conference of the heads of state of the four great powers cannot in any realistic manner, as I see it, be viewed as unimportant or even relatively unimportant. I think it is of such supreme importance that a 2-day visit to Portugal could not possibly compare in importance with the presence of the President of the United States at the summit conference, if it is still under way.

Secondly, I would seriously doubt that General de Gaulle, Prime Minister Macmillan and Premier Khrushchev would care to continue a summit conference if the United States were represented by one without constitutional authority or responsibility.

It may well be that after the conference has proceeded for a few days problems will be referred to the foreign ministers. That practice has occurred heretofore. The Foreign Relations Committee of the Senate has been informed this is expected to be a brief conference. I believe it has been described as a conference of 2, 3, or perhaps 4 days.

I think I must agree with the senior Senator from Pennsylvania. I hope such a statement was not made by President Eisenhower, and I hope it was not made with his specific approval, for I feel it constitutes a "snub" to the Secretary of State. If the summit conference should be involved in partisan politics, I cannot believe the cause of peace would be served. I would seriously doubt our allies would appreciate it.

I believe that is the extent of the comment I care to make on this matter. I trust the summit conference and particularly the nuclear test issue, which is so vital and so dangerous, will not be involved in partisan politics.

Mr. COOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Kentucky?

Mr. GORE. I yield.

Mr. COOPER. Mr. President, a few weeks ago the distinguished Senator from Tennessee made a very fine and searching speech on the Senate floor regarding the negotiations for the cessation of nuclear tests.

Mr. GORE. I thank the Senator.

Mr. COOPER. His speech provoked a 3-hour debate. It was a valuable speech and a valuable debate.

I am glad that the Senator is speaking again on this subject. His speech, as I understand it, is directed toward unify-

ing the Senate, with the administration, regarding a nuclear treaty. I agree with what the Senator has said; I agree with him that we have gone about as far as we can in our proposals and should not make concessions. I commend the Senator. His speech is of great value.

If the Senator will permit me to make a further comment—

Mr. GORE. Before the Senator proceeds to another point, I should like to thank the Senator for his generosity. The able senior Senator from Kentucky not only did me the honor of listening to my more extended speech on this subject, but also he and I and our wives have engaged in earnest personal conversation on this subject. The senior Senator from Kentucky has knowledge that I have personally resolved doubts in favor of the position I have taken today, because I feel it is in the national interest to give the maximum degree of unified support to the President as he goes forth on this great mission.

Mr. COOPER. I am aware of the Senator's purpose. That is one of the reasons I commend the Senator. I know, as the Senator from Tennessee knows so well because of his work in this field, that there are areas of testing in space and underground where it would be very difficult to determine whether nuclear tests were conducted even though an agreement can be made.

In weighing the value of a treaty against these uncertainties, the Senator is saying, and I agree, we should favor such an agreement, if reasonable inspection is assured, to move away from the awful nuclear threat which confronts the world.

I observe my friend the senior Senator from Pennsylvania is present in the Chamber. If the Senator from Tennessee will permit, I should like to address myself to the subject which the Senator from Pennsylvania mentioned; that is, the statement made about the President and the Vice President.

First, I believe great significance has been placed upon the summit meeting by the President of the United States. We sometimes forget that it was the President of the United States who tendered the invitation to Mr. Khrushchev for the summit meeting. And as has been developed heretofore in debate, there have been thorough and careful preparations for the summit meeting. A recent evidence is the series of talks in which the President has been engaged with the heads of state of our allies.

I do not believe anyone doubts or questions the desire of the President to achieve favorable results at the summit meeting. Everyone understands the issues and the difficulties involved; yet there is great hope that results may come from the meeting—some decision that will move toward settlement of the issues between the allies and Soviet Russia, some relaxation of the tensions which could bring about war. Certainly this is the hope and the purpose of the President of the United States.

The Senator from Tennessee's speech is designed to remove partisanship at this time, and to bring about a higher degree of unity.

But I must say to my good friend from Pennsylvania [Mr. CLARK], who knows how much regard I have for him, that I do not believe any good purpose is served by ascribing to the President some kind of political motivation, if it is true that he said that in the event he could not attend all meetings of the summit conference, the Vice President would represent our country.

I have known Secretary of State Herter for 15 or 16 years. I share with other Members of the Senate a high regard for him. He is an able and dedicated Secretary of State, a man of courage and judgment. I am sure he will be at the summit; and I am sure that his advice and great influence will be used to the fullest.

I have no means of knowing whether or not Mr. Hagerty is correct as to what the President intends to do. But as far as I am concerned, I would think it well if the Vice President were also present. He is a man of great ability. He has demonstrated his ability to meet, on even terms, the Russian representatives, even Mr. Khrushchev with whom we must deal. I think it is wrong at this time to begin to ascribe political motivations to the President of the United States, upon questions which may well be the greatest we shall face this year. I say this with all regard for my friend from Pennsylvania, but I mean it.

Mr. CLARK. Mr. President, will the Senator from Tennessee yield in order that I may reply briefly to the Senator from Kentucky?

Mr. GORE. I yield.

Mr. CLARK. Let me say to my good friend from Kentucky, who knows the affection in which I hold him, that it was not I, and it was not the Senator from Tennessee, who brought partisan politics into the discussion of the summit meeting. It was Mr. James Hagerty, who issued a statement this morning. I did not charge the President of the United States with political motivation. I said—and the Senator from Tennessee joined me in the comment—that I hoped the President of the United States would repudiate this obvious and clear interjection of partisan politics into a matter from which it should be excluded.

I am as interested as is my friend from Kentucky in the unification of the country behind the President, in terms of the summit conference. I think the President has an obligation to keep politics out of this question. I am convinced that whoever made the statement from the White House this morning deliberately interjected partisan politics into it for purely partisan political advantage.

Mr. COOPER. Mr. President, I hold to my position. I do not know whether the President made the statement referred to or not; but if he did, I certainly would not ascribe to him any political motivation.

Mr. GORE. Mr. President, following the colloquy between my distinguished friends the senior Senator from Pennsylvania and the senior Senator from Kentucky, I again express the hope that neither the summit conference nor the current nuclear weapon test conference will become involved in partisan politics.

In expressing that hope, I am not charging that such a thing has happened. I must say, in all candor, however, that in the cloakrooms today the common interpretation of the announcement from the White House this morning is that the announcement was politically motivated.

That raises a question. The White House has no tongue. It is the inanimate residence of the President. Of course, the Presidency has become institutionalized. But there is really only one man who can be the spokesman of the White House. That is not Mr. Hagerty. It is the President of the United States; and I express serious doubt that President Eisenhower either made the statement referred to or authorized it, although, like the senior Senator from Kentucky, I do not know.

Unfortunately, the question of nuclear weapon tests was given partisan treatment in 1956.

It was then that Governor Stevenson suggested that the United States take the lead in curbing contamination of the world's atmosphere by seeking an international agreement for cessation of large hydrogen bomb tests. This suggestion, it is true, was made in the course of a political campaign. But it was a serious suggestion, as we can all now agree, seriously advanced. It was dismissed out of hand by President Eisenhower, who was then a candidate opposing Governor Stevenson, and who characterized it as a "theatrical gesture." Vice President Nixon, then wearing the "old" Nixon hat, said of it:

If he [Stevenson] continues to pursue this course, the American people would be taking a fearful risk with their own security if they were to elect him President.

Less than 2 years later, President Eisenhower had reversed his position 180 degrees. It was on August 22, 1958, that the President proposed a conference between Great Britain, Russia, and the United States for the negotiation of a treaty to suspend nuclear weapons tests. I say this was a 180-degree reversal because the Stevenson proposal was rejected, not on grounds having to do with inspection and control of an agreement, but on the grounds that further testing of nuclear weapons was required in the interest of national security. As late as December 1957, the President still adhered to this position strongly and so stated in a letter to Prime Minister Nehru of India. It is a matter of fact that neither our own people nor the people of the world have been given the reasons for the President's complete change of mind.

This is not to say that the President made a mistake in reversing his position. Indeed, the basic decision to seek an agreement on this subject was correct. Even in doing so, though, the administration made a serious mistake in assuming that an international control system to monitor a comprehensive test ban agreement was then technically and politically feasible. This assumption was based upon the byproduct results of a single underground test explosion which had been conducted for an altogether different purpose.

It is strange to note that at the time the President made his proposal in which the assumption of technical feasibility of detection of a comprehensive test ban agreement was implicit, additional underground tests from which specific information was to be obtained were already scheduled. Nevertheless, the conference was called and our position was taken without waiting for this information to be properly analyzed. When the results of the U.S. Hardtack Series were analyzed, the technical facts and assumptions upon which our position had been taken were clearly shown to be unrealistic and incorrect.

From the first day of the Conference, which I attended, until now, the Russians have treated the Conference as an exercise in propaganda. It is my view that the administration has been quite remiss in its failure, after 18 months of negotiations, to pin the Russians down to the acceptance or rejection of an adequate system of inspection and control to verify observance of the provisions of a treaty, which President Eisenhower has repeatedly and rightly said is a necessary part of a treaty.

Upon my return from Geneva in November of 1958, I reported to President Eisenhower my belief that the Russians had two basic objectives: One, to prevent further nuclear weapons development through tests by the United States and, two, to outlaw the use of nuclear weapons. I reported further my view that Russia sought to achieve either or both of these goals without accepting any realistic system of inspection and detection within the Soviet Union.

Since November 1, 1958, we have given the Russians a de facto ban on all nuclear weapons tests without any inspection whatsoever. There are strong indications that this will continue. Meanwhile, we have no assurance that Russia is refraining from all tests.

The Russians, as I have said, have taken the fullest propaganda advantage of the Conference. Time after time they have reaped a harvest of political propaganda, anticipating and foxing us over and over again.

For the second time now, developments in science have revealed our assumption of the capability of detection techniques to be overly optimistic. The Russians are embarrassed not at all by such new scientific information. After all, they have only accepted inspection in principle. By them it is treated as an academic subject. They have steadfastly resisted agreement to permit even one single inspection team to make one single inspection in the Soviet Union, no matter how many suspicious events may occur.

But, Mr. President, even our mistakes have emphasized our sincerity and good faith. The mistakes are history. We cannot recall them. What we can do and what we must do is to take a realistic view of the situation which exists, undertaking to make the most of it while being sure that we do not make it worse.

I should like to close as I began. The President of the United States will soon cross the water's edge to represent all

the American people at this important Conference. It is in the hope of strengthening his hand and encouraging firm adherence to his nuclear weapons test proposal of February 11 by all Western Powers that I have spoken.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CLARK. I commend my friend from Tennessee on what I believe to be a most statesmanlike address. I should like to associate myself with his conclusions, particularly with his last paragraph, that the President of the United States should and ought to see to it that he does represent all the American people at this important Conference. I am confident that when he does so, all the American people will support him.

I notice that my friend has before him the joint communique issued after the Macmillan-Eisenhower conference a short time ago. I wonder if my friend is in accord with me, that there is nothing inconsistent in the splendid speech he has made with the joint communique issued by Mr. Macmillan and President Eisenhower at that time.

Mr. GORE. First, I thank my distinguished friend for his generosity. I do have before me the communique issued by Prime Minister Macmillan and President Eisenhower after their talks at Camp David.

In reply to the able Senator, I should like briefly to review the points made in the communique, which the Senator will recall was referred to on the floor of the Senate by me on the very day it was issued. I commended and applauded President Eisenhower and Prime Minister Macmillan upon steering the ship of negotiations back into the proper channel and putting first things first.

What is the first point in the communique? After the first two paragraphs, which are more or less a preface, this is stated:

When the Geneva Conference began 17 months ago, there was reason to hope from the preliminary scientific discussions which had preceded it that there would be no insuperable technical or scientific difficulties in establishing an effective control system capable of detecting nuclear tests of all kinds.

Subsequently, however, it appeared from further scientific research that in our present state of knowledge there are great technical problems involved in setting up a control system which would be effective in detecting underground nuclear tests below a certain size.

Mr. President, I submit that that is a review of the assumption of technical feasibility made by the administration in August 1958, which was rendered unrealistic by later tests and information. I believe the same point is made in my speech that was made in the communique. I am sure that the joint communique makes it much better. I read further from the communique:

It is, however, the sincere hope of the President and the Prime Minister that an agreed program of coordinated scientific research, undertaken by the three countries, will lead in time to a solution of this problem.

I made such a proposal to the President in November 1958. It has now



been proposed to the Russians in Geneva, upon instructions to the British and American delegations by Prime Minister Macmillan and President Eisenhower. I am advised by the Department of State that it expects the Soviet reply within the week. I hope the reply will be favorable. This would be a constructive step. If, together, the nuclear powers could solve some of these technical problems of detection, it would not only promote the conclusion of a treaty, but would also promote mutual confidence between the powers.

I read further from the joint communique:

Meanwhile, the President and the Prime Minister believe that progress can be made toward their ultimate objective of a comprehensive agreement.

There is nothing in disagreement with my statement there. I continue to read:

They have agreed that much has been accomplished in these Geneva negotiations toward this objective.

They point out that in the effort to achieve a reduction of armaments, there are a number of important specific problems to be resolved. These include the questions of an adequate quota of on-site inspections, the composition of the control commission, control post staffing, and voting matters, as well as arrangements for peaceful purposes detonations.

I wish to call to the attention of the Senator the fact that after the conclusion of a treaty such as the joint communique describes, and after there is a joint program of research, and after definite means of detection are agreed to and in operation, then, and only then, according to the communique, is the moratorium to be considered and made operative.

Mr. CLARK. If I may interrupt the Senator, I should think not only after the treaty has been negotiated, but after it has been ratified by the Senate.

Mr. GORE. This is not made plain in the communique.

The Prime Minister and the President have agreed that as soon as this treaty has been signed—

I believe that does make it plain—

and arrangements made for a coordinated research program for the purpose of progressively improving control methods for events below a seismic magnitude of 4.75, they will be ready to institute a voluntary moratorium of agreed duration on nuclear weapons tests below that threshold, to be accomplished by unilateral declaration of each of the three powers.

I had not presumed to discuss the moratorium which it is proposed will be accomplished by Executive order of the President of the United States after the conclusion of a treaty, and after a joint program of scientific research on test detection is undertaken.

After all, the Senate does not consider an executive direction to an agency of the Government as it does a treaty. In my speech today, I have referred to—and I had intended to refer to—the terms of a treaty which, under the Constitution, must come to the Senate for ratification.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. CLARK. I agree with everything the Senator has said about the importance of separating a treaty from the executive act of a moratorium, but I wonder if the Senator would not agree with me that it might well be unwise for the President, acting in his executive capacity, to agree to a moratorium for a fixed period prior to the ratification of a treaty by the Senate.

I assume that a moratorium on a day-to-day or a month-to-month basis, pending ratification, might well be desirable; but I for one would hesitate to indicate that, in my individual judgment, it would be a matter of course for the Senate to ratify such a treaty in the face of an agreement on a moratorium for a fixed period of a substantial length of time.

Mr. GORE. Of course, a moratorium which is tied specifically to a treaty, although not an integral part of the treaty, would of necessity be considered by the Senate. To state it another way, the Senate would, of necessity, consider the treaty in light of such moratorium or other internationally agreed positions as might be closely related to it.

In this instance, it seems to me that we are talking of a hypothetical occurrence. The President and the Prime Minister have placed first things first: The conclusion of a treaty with adequate safeguards for those tests covered by the treaty; the initiation of a joint program to conduct experiments and research in developing means of detection; and then, after those things are concluded, the question of a moratorium would be in order. I hardly know how to discuss the subject, because we have not reached that stage yet.

Mr. CLARK. I agree with the Senator from Tennessee. I was intending only to throw out a possible caveat, which I will now make more specific by calling attention to the sentence in the United States-British statement which refers to an agreement, as soon as the treaty has been signed and arrangements made for a coordinated research program and continues that there would thereupon be a readiness to institute a voluntary moratorium, for an agreed duration, on nuclear weapons tests below that threshold. I could have wished that the communique had used the word "ratified" rather than "signed." I am still of the view that a unilateral declaration should not be in the first instance for a period or a duration longer than it could be anticipated it would take the Senate to deal with the ratification of a treaty.

Mr. GORE. I conclude by saying there is much merit to the position taken by the senior Senator from Pennsylvania. I shall not presume to reach a judgment upon a moratorium which has not been agreed upon. Much would depend upon the nature of the tests involved in a moratorium agreement; likewise the duration of a moratorium, the effect it might have upon the operation of the International Control Commission, and the effect it might have upon the treaty.

I shall, of necessity, as I am certain the senior Senator from Pennsylvania will do, reserve judgment upon this

question, expressing faith that President Eisenhower and his administration will be prudent in this regard, as in others.

I yield the floor.

#### MUTUAL SECURITY ACT OF 1960

The Senate resumed the consideration of the bill (S. 3058) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

Mr. FULBRIGHT. Mr. President, I rise to discuss the action taken by the Committee on Foreign Relations on S. 3058, the Mutual Security Act of 1960.

I do not, it will be noticed, leap to my feet ablaze with excitement and enthusiasm. My eyes do not sparkle with happy anticipation. Instead, I rise with the restraining weight of a heavy responsibility and the duty unavoidably attached to my position as chairman of the Foreign Relations Committee pulling at my shoulders. Further, I do so in the oppressive knowledge that no one in the Senate has an assignment which is less likely to arouse the sympathetic interest of the American public.

I am well aware of the fact that the mutual security program is no more popular—or, to be accurate, no better understood—among the people of my State than it is in the Nation generally. How much more pleasant it would be for them and for me if their junior Senator were today reporting from committee a public works project easily seen as of immediate and direct benefit to Arkansas. How much more entertaining it would be if I were appearing on their television screens in the guise of St. George lustily belaboring the scaly elements of evil abroad in our land, or in a burst of patriotic fervor denouncing all those benighted "furriners" who have different ideas from ours about how to organize or manage their affairs.

Yet I can and do take the stoic's comfort to be derived from the performance of a stern but vital duty which is essential to the security and well-being of Arkansas, the Nation, and the entire free world.

I think my attitude is fully comprehensible to my colleagues. Perhaps it will be even more widely understood if I compare it with the average citizen's failure to become joyful over his life insurance policy. He does not pull out his policy ever so often and look at it with tender affection. In fact, his quarterly or annual payments may be a source of distress and bitter complaint. The family man, nevertheless, feels that to reduce or dispend with that policy would jeopardize that which is dearest to his heart, the security of his family.

Mr. President, I believe that the mutual security program is the insurance policy indispensable to this country as it carries out its international responsibilities.

I would admit that Mr. Average Citizen, while seldom enthusiastic about his personal insurance policy, might well be pleased and moved by the opportunity to attach clauses which would give him much better coverage at roughly the same cost. Many of my colleagues joined me in expressing the hope that

this year's mutual security program would come to us from President Eisenhower with just such clauses in evidence. Indeed, many of us in the last session worked hard, albeit unsuccessfully, to make the changes in the bill conceded to be necessary, even by high administration officials. We tried to give the program continuity and the ability to plan for the future. We tried to make efficient administration possible, but we failed—at least temporarily.

Unfortunately, the mutual security program for 1960 in many ways resembles a plate of warmed-over grits. In the near absence of initiative, originality, and long-term provisions in the bill before us—symptomatic of a tired administration, as well as of election year dictates—it is not surprising that the Foreign Relations Committee, rebuffed for its energetic pains last year, could not muster much fresh enthusiasm for what is essentially a holding operation.

At the same time, I would fully support the view that there is much nourishment in warmed-over grits, and that many would find them palatable and comforting if no more exciting fare were available.

Having, I hope, clarified my overall position, I should like now to recall briefly some of the arguments about the bill before us. My colleagues will be glad to know that I do not intend to give a long list of facts and figures and a point-by-point recital of committee actions and changes. These are fully described and justified in the excellent committee report on their desks. Instead, I want to make a few general observations about the basic nature of the mutual security bill.

With a slight amendment, let me recall a phrase of Plutarch's:

It is a difficult task, O citizens, to make speeches to the [pocketbook], which has no ears.

I would add, "no eyes" either, for the justification of a foreign-aid program has been spelled out in detail in myriad publications for more than a decade. The arguments have been presented and wholeheartedly subscribed to by all our Presidents, Secretaries of State and Defense, Joint Chiefs of Staff, and other high officials. As was noted in the other body a few days ago, every declared presidential candidate at the present time, as well as the undeclared possibilities for the nomination, so far as I am aware, is fully committed to the importance of foreign aid. Yet each year it seems that the same fundamental arguments have to be presented to those who either fail to use their eyes and ears or refuse to believe them.

Why there should still be so little public understanding of the mutual security program is only a partial mystery. Frankly, I do not believe it unfair to assign some of the blame to the press and other information media. Very few newspapers around the country find it to their interest to pursue educational functions. Yet many are only too happy to seize on an isolated minor instance of waste or inefficiency and use it to imply that it typifies the whole foreign-aid program, which should

therefore be abolished. This is rather like having the stockholders of a big corporation demand liquidation because 2 out of 100 employees in a certain category are not performing well. Then there is the classic case of the headlined big "scandal"—we had an instance of that last year—and the tiny admission of error on the next edition's back page. I would also add that few people seem to be aware of the continuing force of the mutual security provision which prohibits undue executive branch efforts to secure public understanding of the foreign-aid program here at home.

Whatever the reasons, the fact remains that there is little understanding, or there is misunderstanding, of the mutual security program in many areas of the national scene. I am not so naive as to think that an attempt to counter the usual criticisms with either argument or logic will go far toward converting convinced opponents of foreign aid. But neither am I so discouraged that I shall not try to stimulate interest in the committee report among those who have as yet refrained from taking a firm position.

Before passing on to what I would consider more important factors, let me give at least a hurried note to the charges and epithets traditionally hurled at the mutual security bill. There is always a sort of tragic Greek chorus ready to break into its moaning cries of "giveaway," inefficiency, blunders and baloney, waste and woe.

First, let us consider the "giveaway" charge. As in years past, my colleagues will find in the voluminous record of committee hearings testimony to the effect that roughly 80 percent of all mutual security funds are directly spent in the United States, and that over 500,000 jobs for American citizens have been created by the program. These estimates, made by nongovernmental experts in 1957, are still applicable and are unrefuted. But how much publicity is given and how much attention is paid to this evidence, and what is the response? One elected representative of the American people, when recently confronted with this information, figuratively folded his arms and stuck out his lower lip, and literally said "I do not believe it." There was no further argument, and there will be none now on that score. I do not mean to imply that this is the principal justification for this program, but it is on this one score.

Next, what about waste and inefficiency? It seems that even the strongest supporters of the mutual security program these days must go through a ritualistic ceremony of admitting and deploring the element of truth in these charges, pledging themselves anew to a crusade for improvement, and then stating somewhat ruefully that they will vote for the bill. I have considerable sympathy for this reaction, since I am far from believing that every project is equally essential and that the program now before us is the best that could be created. In fact, I know that it is not.

Yet I doubt that this defensiveness is actually necessary. I doubt that our

constituents really see us or administration officials as playboys of the roaring twenties frantically scattering taxpayers' money to the winds. I doubt that we need constantly to protest that we do not condone ineptitude and careless handling of money. And I fear that by catering to the critics' obsession with an acknowledged small amount of waste, we invite at least two dangerous reactions: one, we allow attention to be diverted from really important deficiencies in the aid program; and, two, we misrepresent Americans as being more interested in the accounting process than in preserving national security and benefiting humanity.

If anyone does not have enough imagination to comprehend the difficulties and inevitable trial-and-error methods involved in an attempt to give a primitive jungle or desert country a chance to preserve its independence, then no words of mine will serve to impart that imagination. If anyone believes that his townsmen and neighbors, in serving our country overseas, through some mysterious alchemy lose all ideals and virtues, and become bumbling wastrels, then I can only commiserate with that person for his low opinion of his fellow men, and perhaps of himself. If anyone thinks that the pure application of American business methods will lift the foreign-aid program into a paradise of efficiency, I would ask him if he has never known of a fellow citizen who went out to buy a new automobile or television set, and found he had bought a "lemon." If anyone considers that the U.S. Congress has discovered the touchstone of inspired planning and absolute efficiency, let him take a windswept ride on one of our impressive new subway cars, with wheels designed for a dead-straight track, and let him listen to the reproaches of those wheels as they shudder and groan through a serpentine tunnel and grind themselves into dust. But I have not heard anyone advocate the abolition of the Senate merely because of that glaring instance of ineptitude.

The sad truth, Mr. President, is that human enterprises are no more perfectible than the imperfect humans who conceive of them and carry them out. This fact happily does not in the least deter mankind in its constant battle for what it believes is progress and a better world. It has not discouraged a campaign for improved administration of the mutual security program; indeed, our committee report, as well as that of the other body, cites marked improvements in the program.

However, insistence on an absolute can be carried to the point of causing barren destruction. Who can help but be emotionally stirred when a self-proclaimed supporter of the principle of mutual security rises to declaim righteously and to vote against the program so long as even \$1 is wasted? Yet surely a more mature judgment would ask whether that \$1 is to be saved by throwing the whole program overboard.

As I have suggested, more important drawbacks exist in the mutual security program and are of a character different from what the usual criticisms indicate. These drawbacks can generally be



classified under the charge of adopting short-term solutions for long-range problems. Each year we go through the same time-consuming and exhausting process of examining the program with a fine-tooth comb. And each year the resulting legislation becomes more complex and cumbersome as friend and foe alike hasten to add just those few more provisions that will really add up to a magical formula for preventing any waste whatsoever. In the process of detailed argument, the administration becomes more and more committed to stand by and carry out plans that events may prove to be ill adapted to meet and overcome rapidly shifting local situations.

Although few programs ever undertaken by any government at any time have been so carefully scrutinized and checked, congressional critics insist upon diverting our attention from the policy issues, which properly should be our main concern, to a narrow concentration upon administrative practices. The goal here seems to be to make us over into management experts rather than shapers of foreign policy. The committee has manfully struggled to elevate its work to the proper plane—especially with a view toward planning for the longer-range future—but has made little headway against administration timidity and congressional suspicions.

Now let us look at two interrelated arguments advanced even by those who have been counted among the advocates of the program in past years. I believe these arguments are worthy of being viewed more seriously and sympathetically.

First, there is the natural reaction of many of those who are sick and tired of being forced to spend weeks each year in tedious and unrewarded examination of a program that seems to bring us no closer to a lasting solution, who believe that certain portions of the program are deeply mired in a rut, and who are convinced that a new and fresh approach is imperative. This reaction can take the form of willingness to consider large punitive cuts and sweeping administrative changes in an attempt to compel a fundamental reconsideration of the program.

Perhaps an answer by analogy can be drawn from the soap-opera case of the disgruntled husband who, after nearly a decade of marriage, is demanding that his tired, almost slovenly wife either make herself over or go home to mother. Well, the lady has had a rough time of it over the past few years; she has borne children, washed and mended, slaved over the hot stove—burning several culinary efforts in the process—and has generally safeguarded the security and well-being of the home. Quite rightly, she feels she has done yeoman service and should not be expected to look exactly like the girl he married. With the best intentions, she just has not the strength to do all she should; surely matters will be different next year, when the children are older and there will be some part-time help. Now if friend husband thinks about the alternatives with a little clarity, he almost certainly will take

a more understanding position. The real danger, however, is that some seductive charmer he might meet in the local tavern will turn him from the path of duty and good sense.

That charmer shows up in the second argument, which points to apparent or hoped-for changes in the world scene that might permit us to relax our overall efforts a bit, or at least to dispense with some of our very costly defense establishments and arrangements. My own view is that there has been no basic change in the cold war problem which justifies any letting down of our guard. Indeed, the Berlin situation is more than sufficient confirmation of that view.

My colleagues are aware that the committee last year, disturbed at the apparent scarcity of long-range foreign policy thinking and planning in the Government, arranged with private groups and institutions for a series of studies which would provide the basis for some fresh independent thought about the global scene. One of the best of these studies is the one prepared on the U.S.S.R. and Eastern Europe by a Columbia-Harvard research group. To place the bill before us in the proper context, I should like to quote the following excerpts from that report:

The evidence seems to suggest that these internal changes (in the U.S.S.R.) are not likely, at least over the next decade or so, to lead to real normalization of Soviet relations with the rest of the world . . . the position of the Soviet leadership promises to remain strong and its commitment to Communist goals unimpaired.

As a consequence, if present trends continue, a further increase of Soviet power and influence is to be expected.

Dealing with the Soviet challenge should not become an exclusive preoccupation of American policy. While it is of vital importance that we steadily take the measure of the Soviet challenge, without becoming distracted by the day-to-day ups and downs of Soviet "atmospheric" changes, the central focus of our policy should be the political growth and economic improvement of the non-Communist world. This forward movement, inspired by a vision of democratic progress, is essential to the creation of a world environment favorable to the survival and development of free institutions. It is also the course of action most likely to lead to a modification of Soviet policies over the long run.

It is vital that the United States not allow an imbalance of military power to develop in the Soviet favor, not only in the interest of the maintenance of peace but also in order to protect the non-Communist world against a process of piecemeal disintegration.

It is necessary that the United States and its allies be prepared to use a range of instrumentalities—military, political, and economic—to insure against the further extension of Soviet power and influence.

Coordinate with these measures, the United States should be continuously prepared to explore through negotiation the settlement of outstanding problems between the Soviet Union and the non-Communist world, without either undue expectations or sterile pessimism.

Finally, there is the requirement on which all others depend: the development of a public understanding sufficiently informed and mature to be willing to support heavy costs and sacrifices without the stimulation of crises or bellicosity, without wild alternations between optimism and pessimism. This is the source of strength which would

make it possible for a democratic society to preserve the essential qualities of its democratic life while it mounts the degree of mobilization necessary to deal with the mortal, and continuing, challenge of the Soviet system.

I do not believe that we shall find a better and more succinct appreciation of the world we face than the study which I have just quoted.

Now let us take one concrete example of the importance of supporting a mutual security program which will give our Government tools not only to deal with the Soviet challenge but also to support initiatives in the uncommitted areas of the world. I invite your careful attention to an article by Hamilton Fish Armstrong in the New York Times magazine of April 17 on the new African country of Guinea. Mr. Armstrong, the respected editor of Foreign Affairs, is extremely knowledgeable and no alarmist. Yet the picture he gives of the situation in Guinea fully bears out his article's title, "Disturbing Portent for Africa."

It is clear that, through the permissive inertia and mistakes of the West, the Soviet bloc has moved with great speed into a small West African country which it threatens to dominate and turn into a base for further operations in the area. Guinea now depends almost entirely on Soviet credits of \$35 million and on bloc technicians for its future development. It has severed its ties with the French franc zone, and roughly 80 percent of its trade is with the Soviet bloc—whereas formerly an even greater percentage of trade was with the West. Mr. Armstrong does not suggest that President Toure is a Communist, nor does he question the sincerity of Toure's determination to keep Guinea neutral and uninterested in the cold war. However, as the article says:

It is doubtful whether he and most of his ministers realize as yet just how tightly they are being caught in the spider's web.

After pointing out the implications for the rest of Africa if the Soviet-supported venture becomes a success in Guinean eyes, Mr. Armstrong in the following passage concludes that our Government is not organized to cope with such developments and strongly criticizes both Congress and the executive branch.

The fact is that, although the American system of government serves us pretty well at home, it is completely helpless to deal with a whole series of situations confronting us around the world.

Congress is unwilling to trust the executive with sufficient free funds to enable it to act promptly in critical situations. It refuses to appropriate ahead so that there can be long-term planning. When Government funds are available, they are swathed in red-tape.

Mr. President, I ask unanimous consent that the entire article be printed in the Record at the conclusion of my remarks.

**THE PRESIDING OFFICER.** Is there objection to the request of the Senator from Arkansas? The Chair hears none, and it is so ordered.

(See exhibit 1.)

**MR. FULBRIGHT.** Mr. President, I happen to believe that Armstrong lets

the Executive off too easily—what is the President's contingency fund for, if not for emergencies?—but there is no doubt in my mind that he is right on the essentials.

I do not raise this as a plea for dramatic action with respect to Guinea; the time for emergency moves has given way to a need for careful appraisal accompanied with the readiness to act swiftly whenever appropriate. Rather I want to underline the necessity of supporting the mutual security program before us, minimal and cumbersome though it may be in some respects. We will not this year obtain the improvements a number of us wholeheartedly desire. Nevertheless, many of the tools are here if the Executive only chooses to use them, hopefully with vigor and courage.

Now, before concluding, I owe my colleagues at least a very brief résumé of committee action on S. 3058. First, let me remind Senators that the administration's request for \$1.454 billion in its authorization bill leaves out of account the \$2 billion requested for military assistance and \$700 million for the Development Loan Fund. Authorization was provided last year by the Congress for these two categories. The committee did, however, limit military assistance, other than training, for Latin America to a ceiling \$2 million below that proposed by the administration.

The bill as reported by the committee contains total authorizations of \$1,425,500,000—a reduction of \$29,400,000 in the administration's request. Most of the cut was made in defense support, a category that the committee has long believed should be reduced as quickly and stringently as considerations of military security will permit. Special assistance was cut by \$8.5 million. Finally, \$400,000 less than requested was earmarked for the U.N. High Commissioner for Refugees, because the committee considered that his program should be phased out, rather than shifted to a new group of refugees.

In an attempt to stimulate a solution to the Palestine refugee problem, Congress for 2 years has directed that a percentage of the authorized appropriation for the refugee program should be reserved for repatriation or resettlement. This proviso has had absolutely no effect. The committee therefore has proposed to repeal it, to provide for the return of \$6.25 million in accumulated funds to the Treasury, and to direct the President to make specific recommendations next year for dealing with the problem. The net effect of the committee's action on this section is to reduce the administration request by \$3 million.

While the bill contains little that is new, there are two or three provisions which should be noted here. The sense of Congress is expressed that the Development Loan Fund should assist savings and loan type institutions and guarantee private U.S. capital available for housing investments in Latin America. As requested by the administration, authority is provided to use funds for the Indus Basin development under the

supervision of the International Bank and in accordance with the Bank's standards and procedures. Lastly, contained within the illustrative program for special assistance is a provision for a \$20 million special program for tropical Africa. The committee welcomes this evidence of growing attention to the needs of Africa, and hopes that the program will be administered in such a way as to encourage greater regional integration.

Let me close by addressing exhortations to three groupings among my colleagues.

First, to those who intend to vote for S. 3058 in the belief that it is a good, sound bill and just what the doctor ordered, I pay my sincere respects with a somewhat wistful admiration for such consistency and faith.

To those who recognize that the doctor ordered it, but disagree with the nature of the prescription and want to change doctors, I would recommend the old La Guardia slogan, "patience and fortitude." I would also tentatively suggest that the medicine not be taken through clenched teeth for fear of spilling enough to require the administration of a supplemental dose.

Finally, to those who firmly believe that the mutual security bill is a monster to be slashed ruthlessly, I would invite them to look at page 25 of the printed hearings. They will find that the repository of all foreign policy wisdom—I am, of course, referring to the Bureau of the Budget—has already hacked some \$750 million from the departmental requests with its "vorpall blade." Surely those colleagues will not wish to prevent the bleeding Jabberwock from staggering through one more year.

Now, Mr. President, a final word about the aid program in Korea. As reflected in the hearings and as stated in the committee's report, the Foreign Relations Committee was gravely concerned over the situation in Korea prior to the most recent and serious outbreak of rioting. It is to be hoped that the change in government in Korea will be accompanied by political reforms which will bring a greater measure of freedom and stability to that unhappy country.

I noticed in this afternoon's newspaper that the new Acting President, Huh, was quoted as saying, "I believe there is waste of American aid funds and improper management." That is not news to the committee, but I am glad to see the Acting President of Korea has now recognized it.

Again to quote the committee's report, there seems no generally acceptable alternative to continuing the aid program in Korea. On the other hand, the recent events in that country raise a question, which is of wider application, as to the long-term effectiveness of an aid program continued in the absence of an atmosphere of expanding basic freedoms. This is a question which I think should be looked into before another mutual security bill comes before the Senate.

Among other things, thought should be given to the provocative questions raised by Conlon Associates in their study on Asia prepared at the request of the

Committee on Foreign Relations. These questions are:

1. What form of aid is most conducive to stimulating indigenous energies and capital formation?

2. To what extent should assistance be geared to long-range plans and what should be the American responsibility for checking the validity and progress of such plans?

3. What is the proper balance between military and economic aid, in terms of the security and welfare of Korea?

#### EXHIBIT I

[From the New York Times, Apr. 17, 1960]

#### DISTURBING PORTENT FOR AFRICA

(By Hamilton Fish Armstrong)

CONAKRY, GUINEA.—In a world preoccupied with summit conferences, the new nation of Guinea does not loom large, but developments there are—and should be—of great interest as an example of how Communist alertness can capitalize on Western errors and inertia. For the Soviet bloc is operating in Guinea. And if things progress as Moscow hopes and intends, Guinea can become a cancer that would affect the whole of west Africa.

Almost the only certain fact about the situation in Guinea today is that its economy is coming to be dominated more and more by the Soviet Union and its satellites. The Soviets have given the Government \$35 million of credits on the easiest sort of terms. Part is being used to buy Russian sugar and cement, East German flour and matches, Czechoslovak cotton materials and shoes. The stock of French goods is drying up; the showrooms for French and American cars are bare, and Russian and Czech cars are taking their place.

Formerly, Guinea's foreign trade was more than 80 percent with the West. Now the proportions have been reversed—80 percent with the Soviet bloc, 20 percent with the West.

The Russian sugar is not very sweet, the East German flour makes tough bread, but all is cheap, and any resentment at the gradual deterioration in standards will come slowly and only from people of little influence. As a whole, the country is united behind President Sékou Touré and his policy of going it alone politically, come what may economically.

For the most part the Soviet credits are being used to finance an amazing variety of projects that will build up local pride and gratitude.

The airstrip at Conakry is being lengthened to 3 kilometers to take jets; already several Soviet-built Czech planes have landed here on practice flights, and soon one will be able to fly direct from Prague, via Zurich and Rabat, to Conakry (and before long on to Accra) on a frequent schedule. Guinea and Ghana have taken the first steps toward confederation; the ability to fly between Conakry and Accra several times a week in an hour and a half (at present it is a 6-hour flight once a week) will tend to cement what has so far been a rather artificial union.

The road to the airport is to be made into a four-lane modern highway. Fifty modern Hungarian buses are in service, a great popular convenience and delight. A polytechnic institute is to be built. At present there is no daily paper in Conakry (or indeed any regular periodical except a Government mimeographed news sheet); this lack will be remedied by a new East German printing plant. A shoe factory is also to be built. And there is to be a sports arena seating 25,000. Conakry is stuffed with the Communist engineers and technicians engaged on these undertakings; and as three new hotels also are planned, the number presumably will rapidly increase.



Each of these enterprises is needed and will bring applause. Each will put the Soviet Union out of pocket. But the overall book-keeping, Moscow figures, will show a colossal profit. Would not \$35 million be a cheap price to pay for a country?

President Touré was undoubtedly sincere when he said during his trip to the United States last November that he was determined to preserve Guinea's neutrality, and he has reiterated the same determination to me here vehemently. But he does not believe in exclusive dealings and is not interested in the ideologies of those who offer to help. Where there is need—and there is need for everything—he takes what is offered if he believes it is without strings. Taken one by one, the strings may seem slender, and Mr. Touré does not stop, perhaps, to consider their cumulative strength. As he said to me more than once, "Africa is in a hurry."

As an earnest of his neutrality, the President notes that he has not interfered with Western industrial enterprises, and says he will not do so. But these assurances are contradicted by reports that the Government plans soon to nationalize everything down to, but not including, local retail trade. This would presumably include Fria, the American-dominated consortium which has been developing Guinea's great bauxite resources. Several weeks ago, only a few months before it was to start exporting alumina, Fria discharged 3,000 workers, apparently in anticipation of nationalization.

In a defiant gesture toward France, and indeed toward the Western World, President Touré announced on March 1 that Guinea had cut itself off from the French franc zone and was issuing its own currency. Its backing, so far as is known, consists only of the bananas on the trees, the bauxite in the hills and the diamonds in the ground. Some Guineans call it *monnaie des singes*—monkey money.

Some of the President's colleagues may have intended that their rejection of France in principle would leave less and less of neutrality in practice as the country's commercial activity was more and more concentrated in the hands of the Soviet bloc and as more and more Czech and other technicians took over advisory and supervisory positions.

But probably Mr. Touré himself did not intend this, and it is doubtful whether he and most of his ministers realize as yet just how tightly they are being caught in the spider's web. "We were here before the French; the French put us in their Empire, but could not hold us. We are ourselves again, and will remain ourselves." It is a noble attitude, but hard for an inexperienced and needy little country to maintain in a modern world.

In fairness to Touré, it should be pointed out that once Guinea had opted for complete independence in September 1958, the French course of action, and the action, or rather nonaction, of the rest of the West, made the present result unavoidable. France, in effect, picked up her toys, smashed those she couldn't carry, and went home. Guinea was denuded of everything, from the uniforms off the backs of the police to the law books in the courts.

It is questionable whether Mr. Touré foresaw this. Maybe he naively thought that President de Gaulle was offering the former French colonies a real choice between independence and continued membership in the French community. Actually, it turned out to have been a dare—"Stay with us, or else." The or else proved to be shattering.

France asked her friends not to be hasty in recognizing the new Republic of Guinea. We complied. But what about the enemies? They were more astute. Recognition came instantly from the Soviet Union and all the satellite band, and by the time France brought herself to accept the situation in January 1959 and we and the British had done so, too, protocols with the Eastern bloc

had already been signed and trade was under way.

The small arms for which the new Guinea Government first turned to us to maintain order, and which we refused, were at once given by Czechoslovakia. Now police in Czech uniforms and with Skoda side arms guard the airport and the ministries.

Has the free world made no countermove to block or even hamper this piecemeal Soviet conquest? None that can be noticed. The United States sent, from its agricultural surplus stores, 3,000 tons of flour and 5,000 tons of rice. The food was sold at low prices throughout the country, was recognized as having come from America and was appreciated. Unfortunately, the first installment of our rice arrived in Conakry the same day that the full amount of a 5,000-ton gift of Communist Chinese rice was received.

The Guinea Government has made English a second compulsory language in the schools. Since it has not enough teachers for this (or for any other branch of education) it asked us for some English teachers. We have managed to supply one. She is devoted and successful, but what is one when dozens are needed?

We shall open a USIS library in Conakry as soon as the books arrive (more than a year after we recognized the new Republic). We also have offered limited technical assistance, but with strings that the Guinea Government finds unacceptable—especially since it can get any amount of Communist technical assistance for the asking and without apparent conditions.

The fact is that, although the American system of government serves us pretty well at home, it is completely helpless to deal with a whole series of situations confronting us around the world. Guinea happens to be the latest striking example.

Congress is unwilling to trust the Executive with sufficient free funds to enable it to act promptly in critical situations. It refuses to appropriate ahead so that there can be long-term planning. When Government funds are available, they are swathed in red tape, one of the purposes of which is to insure the competitive position of American private business.

But what is the competitive position of American business in a country like Guinea today? Are American private firms supposed to compete on equal terms with the Soviet Government and the satellite governments who are prepared to take any necessary loss on each individual transaction in order to gain the ultimate prize?

In the absence of private initiative, what would our Government do? It might send out a task-force to investigate the local need, and as a result might propose aid agreements in line with congressional requirements. While this was going on, the Soviet Government would have sent the goods, the construction materials and the needed technicians.

What can we do? As our Government is organized (or disorganized) today, the answer is, "Nothing." This was a surprising discovery for President Touré when he visited the United States, and it has not ceased to surprise literate Guineans since.

The fact has also been noted in the neighboring states formerly associated with Guinea in French West Africa. Since De Gaulle so severely chastised Guinea for deserting France, he has realized the necessity of finding a new road to independence for those other states with French ties. In negotiations in Paris last month, the Mali Federation (Senegal and Sudan) achieved full sovereignty while remaining within the French Community. This new relationship will be the model for the Ivory Coast, Dahomey and the other republics that formerly constituted French West Africa.

There are wise and moderate leaders in several of the new republics—Félix Houph-

ouët-Boigny in the Ivory Coast, for example, and Léopold Senghor in the Mali Federation. But though they are vigorous and sincere they belong to a political generation which will be increasingly on the defensive in the competition for African minds against nationalist leaders who have gone whole hog for political independence. If Sékou Touré succeeds in the tremendous gamble in which (perhaps to his surprise) he finds himself engaged, his example will be contagious, even though the cost has been to become increasingly dependent on the Communist bloc.

Moreover, Moscow's psychological appeal can be supported by force. Arms sent in from the Soviet bloc can be distributed, without anyone noticing, to extremists and revolutionaries throughout the region.

The colonial procedure of the European powers was to carve out separate regions: "Divide and conquer." The Soviet technique is the opposite. It aims to get control of individual leaders and the economies of individual states and to spread out from those beginnings: "Conquer and unite." We seem helpless to devise and operate any policy to meet the threat. Sometimes it seems that Washington isn't even looking.

Mr. FULBRIGHT. Mr. President, I desire to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. FULBRIGHT. Is it now in order to act on the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. LAUSCHE and Mr. AIKEN addressed the Chair.

Mr. FULBRIGHT. Mr. President, I merely wish to make the point that the question now is on agreeing to the committee amendment in the nature of a substitute.

The PRESIDING OFFICER. The Senator is correct.

Mr. FULBRIGHT. I will yield to the Senator from Ohio, if he wishes to have me yield for a question. I am ready to yield the floor.

Mr. AIKEN. Mr. President, I should like to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AIKEN. If the committee amendment in the nature of a substitute is agreed to, will the substitute be subject to amendment?

The PRESIDING OFFICER. The amendments have to be agreed to before the committee amendment is agreed to.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. AIKEN. I do not have the floor.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. FULBRIGHT. Mr. President, I will be glad to yield for a question. I am ready to yield the floor.

I yield to the Senator from Ohio for a question, if the Senator wishes to have me do so.

Mr. LAUSCHE. First, I wish the Senator from Arkansas would yield to me for a brief statement in connection with the speech of the Senator from Arkansas.

Mr. FULBRIGHT. I yield for that purpose.

Mr. LAUSCHE. I wish to join with the Senator from Arkansas in his statement that the fulfillment by the Foreign Relations Committee members of their responsibility to the country is a most difficult one.

By that I mean that it is a simple matter to be in the Senate and to make recommendations of such a nature as to bring acclaim and approval from the recipients of gifts which the Government makes, or the construction of projects that bring economic enrichment to local communities. On the other hand, it is a most difficult task to fearlessly and courageously perform a duty that is related to the security of the country, when the general citizenry is not adequately acquainted with the significance of what is being done.

I have no question that the Senator from Arkansas would gladly recommend to the Senate that the entire program be discontinued and the \$4 billion saved if that course were compatible with the security of our Nation.

Mr. FULBRIGHT. The Senator is exactly correct.

Mr. LAUSCHE. I am quite certain that every other member of the Foreign Relations Committee would gladly and proudly come before the Senate and say, "Let us abandon the program," if that were feasible and in the interest of our Nation. But we know that it cannot be done, and for that reason I commend the Senator from Arkansas for the forthrightness and directness with which he has recommended to the Senate what its course should be for the protection of our Nation.

Mr. FULBRIGHT. I thank the Senator for his commendation.

Mr. LAUSCHE. Now I should like to ask the Senator a question. Will the Senator from Arkansas repeat what the advice has been of persons in the Federal Government in high echelon offices, since the end of World War II, concerning the advisability of carrying on the program of mutual security?

Mr. FULBRIGHT. I said in my statement that every President and every Secretary of State without exception—and all members of the Joint Chiefs of Staff—have recommended this program as being vital and indispensable to the security of this country.

I know that President Eisenhower, in his public statements—and he has said the same thing with greater vehemence privately—has said that this program is absolutely indispensable to the security of the country. He has felt that he must stress this program, because other programs in the field of domestic armament—for example, the supplying of planes for our own Air Force—have an appeal to many people. But this particular program has been subject to the misunderstanding to which the Senator has referred.

This is a bipartisan program. I know of nothing about it that could be considered remotely as being partisan. Republican Presidents and Secretaries of State, as well as Democratic Presidents and Secretaries of State, uniformly, have unanimously recommended this program as being indispensable to our security.

Mr. LAUSCHE. Then it is a fact, is it not, that President Truman and Secretary of State Acheson, both Democrats; President Eisenhower and Secretary of State Dulles, now deceased, as well as Mr. Herter, all Republicans; and members of the Joint Chiefs of Staff, both Republicans and Democrats, uniformly recommend the indispensability of this program for the protection of our country.

Mr. FULBRIGHT. The Senator is exactly correct. There is no question whatever about it. I could go further and name Vice President Nixon, and every Secretary of Defense, both Democratic and Republican, since World War II. They have all recommended this program. In fact, they have even recommended more. As I have said in my statement, the Bureau of the Budget has cut departmental recommendations already, before this proposal came before us, by \$750 million.

Mr. LAUSCHE. Is it also fair to state that those persons having in their possession the most secret information and the most detailed knowledge of the problems confronting our country internationally, have recommended the continuance of this program?

Mr. FULBRIGHT. The Senator is absolutely correct.

Mr. LAUSCHE. I should like to ask a further question with respect to the economic good which comes to the workers of our country and our manufacturers. Do I correctly understand the Senator from Arkansas to state that, with respect to the things which we send abroad, there are 500,000 Americans employed?

Mr. FULBRIGHT. The best estimate we have had—and we have had such estimates on more than one occasion—is to the effect that of the vast amount of materials which are sent abroad, about 80 percent are purchased in this country, generating, it is believed, about 500,000 jobs. Practically all the purchases for military assistance, for which this year \$2 billion is asked, with the exception of a small amount, are made in this country. Such purchases include hardware, tanks, airplanes, missiles, guns, munitions, ships, and other military weapons. They are purchased here. The manufacture of those materials creates the jobs to which I have referred.

Mr. LAUSCHE. With respect to the development of military personnel, does this program help us in having available in friendly countries, such as Taiwan, Korea, Turkey, and other countries, trained men for service in case of an emergency?

Mr. FULBRIGHT. The Senator is exactly correct. The Senator has described the situation very well.

There are two main categories. Not only is the program indispensable for the maintenance of our own troops in several of the countries the Senator has mentioned, together with some additional ones, but also it is even more important and more essential to the maintenance of the armies of our allies.

For example, the quite large Turkish Army could not possibly be supported by the economy of Turkey. For this

program both military assistance and defense support are absolutely necessary if we are to have a Turkish Army in being, poised and ready to repel an invasion.

The truth of the matter is that during the period since the so-called cold war began, this has been our first line of defense, the main deterrent to any incursion by the Soviet bloc.

Mr. LAUSCHE. Will the Senator from Arkansas express his opinion as to what the comparative strength would be, reflected by the number of troops available among our allies, and those available in the Communist bloc, if the military personnel of Taiwan, Korea, Turkey, and other countries were eliminated, and the comparison were made merely on the basis of the troops which we have in the United States and those which the Communist bloc has?

Mr. FULBRIGHT. Unfortunately, I have not calculated that comparison. The figures are available. I do not have them at my fingertips at the moment. I know that in certain cases we have estimated the number of military personnel available. In Taiwan the number is about 600,000. Some 20 divisions are in Korea and another 20 in Turkey. Those are very substantial forces. They would not be in being at all without this program, and our forces would be so small as to be utterly useless.

Mr. LAUSCHE. Is it not a fact that even with the availability of those troops among our friendly allies, the aggregate number of military men among our allies is less than the number in the Communist bloc, and if we were to eliminate the nations which I have mentioned, the comparison would be frightening?

Mr. FULBRIGHT. Oh, yes, indeed; that point is absolutely clear. It would be completely overwhelming from the standpoint of personnel advantage of the Communist bloc if we did not have the personnel of our allies. There is no doubt about it at all.

Mr. LAUSCHE. Mr. President, will the Senator from Arkansas state what the Soviet has been doing in instances where it feels that conditions are right and that there is an opportunity for it to establish itself, as it did in Guinea? What has been its general policy around the world?

Mr. FULBRIGHT. In the last 2 or 3 years, there has been a clear, new trend developing of the Soviets moving into this field. One of their large programs has been in India, where they have built a million-ton steel mill, which has just been completed at a cost of \$200 million.

Most of their assistance consists of loans on favorable terms. The terms are much lower in interest than we are providing, although they are short-term loans. Many of them run for 10 or 12 years. In India there is a very large program.

In Egypt, Aswan Dam, as you know, was turned down by us. The Russians have undertaken the first stage. Only a month or so ago they pledged themselves to the second stage. That is estimated to involve over \$200 million.



Only recently, as we all know, Cuba has come into the picture. Perhaps that is the most recent example. The Russians have offered to the Cubans \$100 million in credit and to purchase, over 5 years, I believe, a million tons of sugar every year.

They have gone into Indonesia recently. One story stated that the Russians offered a credit of \$500 million. Finally it was agreed to offer \$200 million in credit.

They offered a very large credit to Yugoslavia. However, they fell out about it, and that offer was withdrawn. That indicates clearly the political motives of these loans. Afghanistan has been mentioned. At one time the Russians gave Afghanistan a \$100 million credit. I have already mentioned Guinea.

Mr. LAUSCHE. How about Ethiopia?

Mr. FULBRIGHT. The Russians are now in process of extending credit in Ethiopia. We have had testimony only recently of their moving in there. An Associated Press story answers the Senator's question much better, and for the RECORD, I should like to read it at this point. It reads:

SOVIET EXPORT TO RED CHINA TALLIED BY U.N.

UNITED NATIONS, N.Y.—A United Nations report has shown that in 4 years the Soviet Union shipped Communist China equipment for complete industrial plants valued officially at almost \$750 million.

The U.N.'s "Yearbook of International Trade Statistics—1958" listed such shipments for 1955 through 1958 at 2,933 million rubles, or \$733,375,000 at the official exchange rate of 4 rubles to the dollar.

That was well over half of Soviet exports of equipment for complete industrial plants to all countries for that 4-year period. The grand total was 4,952,600,000 rubles, or \$1,238,150,000.

The Soviets exported such equipment valued at \$175,125,000 to Poland, \$51,825,000 to Bulgaria, \$38,625,000 to Rumania, \$11,775,000 to Czechoslovakia, \$9,175,000 to Hungary, and \$1,725,000 to the Egyptian region of the United Arab Republic.

The exports to Egypt rose steeply from negligible in 1955 to \$25,000 in 1956, \$475,000 in 1957, and \$1,225,000 in 1958. To East Germany, they were \$1,150,000 in 1956, \$1,250,000 in 1957, and negligible the other 2 years.

The yearbook is rare among U.N. statistical publications in that it gives a picture of trade relations within the Communist world.

Within the sphere, it showed Communist China to be the Soviet Union's leading customer for petroleum products and the Soviet Union's chief supplier of minerals, wool, meat, vegetable oils, raw tobacco, and clothing.

It brought out that in 1958, the latest year covered, the Soviet Union had an unfavorable balance of trade with Communist China—that is, it did not sell China enough to pay for what it bought from China. The Soviet Union also had unfavorable balances with Bulgaria, Czechoslovakia, and East Germany—but favorable balances with Hungary, North Korea, Outer Mongolia, Poland, and Rumania.

In 1957, the Soviet Union's trade balance with the whole world was favorable. But in 1958, it turned unfavorable, partly because of bigger imports of such consumer goods as food and clothing.

Mr. LAUSCHE. Mr. President, is it not a fact that the Soviet has been picking its spots, and wherever it finds a break between the United States and

other nations, and it believes the field is fertile, it steps in?

Mr. FULBRIGHT. Yes.

Mr. LAUSCHE. I am now speaking of Cuba and Guinea and Egypt and Ethiopia, and I believe there is one other nation.

Mr. FULBRIGHT. India.

Mr. LAUSCHE. Afghanistan has had much aid, too. There is also Red China, which has had much aid.

Mr. FULBRIGHT. That is correct.

Mr. LAUSCHE. It is on that basis that the Committee on Foreign Relations takes the identical position that all of the leading officials in both the Republican and Democratic Parties have taken in the last 15 years about what we need to do to secure our country.

Mr. FULBRIGHT. The Senator is absolutely correct. I appreciate very much his contribution.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. GORE. I congratulate the Senator upon a very fine address and upon an even finer discharge of his responsibility in the highly important position which he occupies as chairman of the Foreign Relations Committee.

I have said on a number of occasions, and I wish to say again on the floor of the Senate, that the United States and the free world are very fortunate indeed that in this crucial time the able, courageous, brilliant, practical junior Senator from Arkansas occupies this position. I am particularly pleased and honored to serve on the committee of which he is chairman. I find his performance as chairman superb.

Mr. FULBRIGHT. Mr. President, I thank the Senator from Tennessee very much indeed for his gracious remarks.

The Senator from Tennessee has been very attentive on the committee. This is a very difficult time. Many of our members are candidates, and they are not always present. I appreciate very much indeed the assistance the Senator from Tennessee has given to the committee. He has made a fine contribution in many instances in the consideration of this very difficult subject. I certainly appreciate his assistance and his kind words.

I yield the floor.

The PRESIDING OFFICER (Mr. McGEE in the chair). The question is on agreeing to the committee amendment.

Mr. WILLIAMS of Delaware. Mr. President, I call up my amendment which is identified as "4-25-60-A." I offer it on behalf of myself and the Senator from Wisconsin [Mr. PROXMIER].

The PRESIDING OFFICER. The clerk will state the amendment.

The Chief Clerk proceeded to state the amendment.

Mr. WILLIAMS of Delaware. Mr. President, the amendment has been printed and is already on the desk of each Senator; therefore, I ask that the amendment may be printed in the RECORD at this point and that its reading may be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 19, between lines 20 and 21, insert the following:

"(a) Section 502, which relates to use of foreign currency, is amended as follows:

"(1) Subsection (b) is amended as follows:

"(i) Insert after the word 'expended' in the proviso the words 'and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States'.

"(ii) Amend the second sentence to read as follows: 'Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member and employee of such committee or subcommittee, and shall forward such consolidated report to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate).'"

On page 19, in lieu of lines 21 and 22, insert the following:

"(2) At the end of the section, add the following new subsection:"

Mr. WILLIAMS of Delaware. Mr. President, the amendment would change existing law to this extent: it would revise section 502(b) of the Mutual Security Act by inserting after the word "expended" in the proviso the words "and the amounts of dollar expenditures made from appropriated funds in connection with travel outside the United States."

In the second sentence it would strike out this language: "shall consolidate the reports of each member and employee of the committee and forward said consolidated report, showing the total itemized expenditures of the committee and each subcommittee thereof during the preceding calendar year."

In place of that language it would insert the following language: "shall prepare a consolidated report showing the total itemized expenditures during the preceding calendar year of the committee and each subcommittee thereof, and of each member and employee of such committee or subcommittee, and shall forward such consolidated report."

The remainder of that paragraph would remain as presently written. It is as follows: "to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate). Each such report submitted by each committee shall be published in the CONGRESSIONAL RECORD within 10 legislative days after receipt by the Committee on House Administration of the House or the Committee on Appropriations of the Senate."

My amendment would merely require the submission to Congress of the amount of the expenditures for publication in the CONGRESSIONAL RECORD as is presently done in the consolidated report, except that it would show an itemized breakdown of expenditures of each Member.

I have said many times that travel abroad by a congressional committee, or by individual Members of Congress, or by representatives of the executive branch can and does serve a very constructive purpose.

With our Government spending billions of dollars in foreign currencies under the various foreign assistance programs, it is important that Congress have a firsthand knowledge of how these programs are being administered, and it is only proper that those trips which are made on official business be paid for by the U.S. Government.

However, just as in the case of the expenditures of funds for any other purpose, the taxpayers, who pay these costs, are entitled to an accounting. Under the present law, this accounting is done by the chairman of the committee reporting in a lump sum the expenditures of the various subcommittees with no breakdown as to the expenditures by the individual Members nor any breakdown as to what the expenditures represent.

In the foreign travel, very often the expenses of the trip are financed partly by direct dollar expenditures and partly by counterpart funds. The counterpart funds represent foreign currencies held by the U.S. Government. In all cases, however, whether the expenditures be in the form of directly appropriated dollars or counterpart funds, they represent money belonging to the American taxpayers, and the expenditures thereof should be accurately accounted for.

I am confident that the vast majority of congressional travel has been conducted as efficiently as possible, and I again emphasize that I believe that much good has come from many of these trips.

We would, however, be unrealistic if we did not recognize that there have also been cases of abuse, and it is these cases, regardless of how isolated they may be, which give all official travel a "black eye."

Therefore, to eliminate this unjust criticism and to place greater emphasis on the responsibility to render an accounting for these expenditures, as well as to give the taxpayers their deserved protection, I am offering this amendment to S. 3058, the mutual security bill, wherein it would be provided that all expenditures by the individual members of the respective committees or staffs must be fully itemized and automatically published in the CONGRESSIONAL RECORD.

This is similar to the amendment which I cosponsored a couple of years ago with the distinguished junior Senator from Kentucky [Mr. MORTON], and which was approved at that time by the Senate but was later rejected in conference.

Congress very properly demands that the executive branch shall render an

accurate public accounting of their appropriated funds, and when such accounting has not been readily available the Department at fault has been very severely criticized.

There has been incorporated in the comparable bill approved by the House of Representatives—that is, the mutual security bill passed last week by the House—a special provision requiring that the executive branch make available to the Comptroller General's auditors all records relating to the operations or expenditures under the Mutual Security Act.

Mr. FULBRIGHT. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I yield.

Mr. FULBRIGHT. Did the Senator say just now that Congress requires the executive branch to render a similar accounting of its travel expenses?

Mr. WILLIAMS of Delaware. In the bill passed by the House and which will be in conference, it requires the executive branch to make available its records for auditing by the Comptroller General.

Mr. FULBRIGHT. Is that accounting already required by law?

Mr. WILLIAMS of Delaware. That the executive branch render an accounting? Yes, but there has been some dispute between the General Accounting Office and the executive branch.

Mr. FULBRIGHT. Does the President render an itemized accounting? Has any mention been made of the cost of his recent trip to South America?

Mr. WILLIAMS of Delaware. The cost of the President's trips is not published, as the Senator knows, but I am sure the records are available if you request them.

Mr. FULBRIGHT. I understood the Senator from Delaware to say that it is.

Mr. WILLIAMS of Delaware. I said that the bill passed by the House contains an item which provides that the expenditures made by the executive branch under this program shall be subject to audit by the Comptroller General. That provision is in the bill passed by the House.

As I understand it, it is the law now that the expenses of the President are subject to audit by the Comptroller General. The expenditures of Members of Congress for foreign travel, however, are not subject to audit by the Comptroller General nor are they published. That is what I am trying to correct.

Mr. FULBRIGHT. They are not published?

Mr. WILLIAMS of Delaware. Expenditures of the executive branch are available if the Senator wants to get them and make them public.

Mr. FULBRIGHT. Is the Senator certain about that?

Mr. WILLIAMS of Delaware. I have never heard of anyone who wished to get them being turned down.

Mr. FULBRIGHT. Has the Senator ever requested them?

Mr. WILLIAMS of Delaware. No. Has the Senator from Arkansas?

Mr. FULBRIGHT. Has the Senator ever heard of anybody who requested them?

Mr. WILLIAMS of Delaware. The fact that no one has requested them does not mean that they would be denied to anyone who might wish to examine the reports or make them public. If the Senator from Arkansas desires to ascertain what the costs on any particular occasion are he should properly direct his request to the executive branch.

Mr. FULBRIGHT. The Senator said, I believe, that the members of the executive branch do just what he seeks to do by his amendment. I do not believe that is quite true.

Mr. WILLIAMS of Delaware. I said that members of the executive branch should be held accountable for all their expenditures. It is quite possible that at a later date I shall be discussing expenditures which have been made in the executive branch and which, in my opinion, have not been properly accounted for. That, however, has nothing to do with this proposal.

There already is a law which provides that the expenditures of the executive branch shall be accounted for and that the Comptroller General shall have the right to audit the accounts. It is true, there has been some dispute between the executive branch and the Comptroller General concerning this authority, but that dispute even is settled by language included in the bill passed by the House last week.

There is incorporated in the House bill a provision that the Comptroller General shall always have the right to audit these expenditures. I think that should be done. Those funds are public funds. Why should they not be audited? By the same token why should we not render an accounting of our expenditures for foreign travel?

Mr. FULBRIGHT. I am not saying they should not be. I simply want to get the record straight. Are the travel accounts of the Vice President published in the same way in which the Senator is asking that travel accounts of Senators be published?

Mr. WILLIAMS of Delaware. They are not as far as this section applies.

Mr. FULBRIGHT. Why not?

Mr. WILLIAMS of Delaware. Because section 502(b) —

Mr. FULBRIGHT. The Senator has said that the executive branch is subject to the same regulation as the legislative branch.

Mr. WILLIAMS of Delaware. If the record of expenditures of any trip is desired, it is my understanding that it can be obtained. As the Senator has admitted there is no one who has asked for that information and has been refused.

Section 502 of the Mutual Security Act specifically provides that expenditures of counterpart funds by Members of Congress need not be publicly accounted for, nor are they audited by the Comptroller General. This is the only instance I know of in which public funds can be spent by either Congress or the executive branch in which such a cloak of secrecy exists. I am trying to remove that cloak of secrecy.



If the Senator from Arkansas wants to amend another law correcting any other similar abuse that he might know of I shall support him.

Mr. FULBRIGHT. It is true that under existing law the information must be published in the CONGRESSIONAL RECORD. The only difference is that each individual amount is not published, just as the amounts spent by the President and the Vice President are not published. I think the Senator from Delaware, to be consistent, ought to require them to publish the individual accounts. The Senator is a great exponent of this principle. I would not undertake to rewrite his amendment. I am only raising the question of its consideration.

Mr. WILLIAMS of Delaware. Section 502(b) in no way refers to the executive branch.

Mr. FULBRIGHT. It does not refer to dollar expenditures, either.

Mr. WILLIAMS of Delaware. No, but my amendment does.

Mr. FULBRIGHT. This question should be raised, in my opinion, in connection with the legislative appropriation bill or some other bill. I have no objection to the principle of the amendment. I am personally willing to abide by it. I do not believe this bill is the proper vehicle to use for such an amendment. That is what I told the Senator in committee. The Mutual Security Act is not a proper instrument to reform practices of Senate committees. Why does he not put his amendment on an appropriation bill?

Mr. WILLIAMS of Delaware. The bill deals with section 502, and this is the most appropriate place.

Mr. FULBRIGHT. It goes beyond section 502.

Mr. WILLIAMS of Delaware. The amendment could not be offered to an appropriation bill, as the Senator from Arkansas well knows.

Mr. FULBRIGHT. Why not?

Mr. WILLIAMS of Delaware. Because it is legislation and would be subject to a point of order.

Mr. FULBRIGHT. Has there ever been an appropriation bill to come before the Senate which was not full of legislation?

Mr. WILLIAMS of Delaware. It takes a two-thirds vote to suspend the rules in order to get adopted on an appropriation bill an amendment containing legislation.

This procedure requires only a majority vote. I am offering the amendment where I believe I shall have the easiest opportunity to have it adopted.

In my opinion the very least we in Congress can do is to demonstrate to the executive branch by adopting the amendment, that we are willing to live by our own code. We are demanding—and as one Member of Congress, I shall continue to demand—that the executive branch make an accounting of that which they have spent. At a latter date, I shall discuss some of those expenditures.

This amendment, however, deals with the expenditure of money by Members of Congress. Let us settle that question first. As far as I know this is the only

instance in which Congress has said money can be spent but no public accounting will be made. I think it is time we remove the cloak of secrecy from such expenditures.

The American taxpayers are entitled to an accounting of any spending of public funds. We must not overlook the fact that these foreign currencies, owned by our Government, really belong to the American taxpayers.

Once again I emphasize that in my opinion much good has come from some of the congressional travel abroad and that for these official trips the Government should pay the legitimate expenses of the traveling Members of Congress. The adoption of this amendment would merely require a public accounting of our official expenditures when we travel abroad.

The argument has been made that to keep a record of their expenditures would entail too much work for Members of Congress.

Existing law requires that the average taxpayer itemize on his tax return all expenses for which he claims tax deductions as business expenses. The same requirement applies to corporations. If it is not too burdensome for the taxpayers to keep records, it should not be too much trouble for Members of Congress. The very least the Members of Congress can do when they spend money which belongs to the taxpayers is to make a similar accounting.

Mr. President, I shall request a yeas-and-nays vote on the question of agreeing to this amendment, but I do not believe that the number of Senators present at this time is sufficient to make possible the entering of an order for the yeas and nays. Therefore, I will be requesting a quorum call.

Mr. FULBRIGHT. Mr. President, will the Senator from Delaware yield?

The PRESIDING OFFICER (Mr. McGEE in the chair). Does the Senator from Delaware yield to the Senator from Arkansas?

Mr. WILLIAMS of Delaware. I yield.

Mr. FULBRIGHT. I think the RECORD should be kept straight; so in that connection I ask unanimous consent to have section 502 of the existing Mutual Security Act printed at this point in the RECORD.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

SEC. 502. USE OF FOREIGN CURRENCY.—(a) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, proceeds of sales made under section 550 of the Mutual Security Act of 1951, as amended, shall remain available and shall be used for any purposes of this Act, giving particular regard to the following purposes—

(1) for providing military assistance to nations or mutual defense organizations eligible to receive assistance under this Act;

(2) for purchase of goods or services in friendly nations;

(3) for loans, under applicable provisions of this Act, to increase production of goods or services, including strategic materials, needed in any nation with which an agreement was negotiated, or in other friendly nations, with the authority to use currencies received in repayment for the purposes stated in this section or for deposit to the

general account of the Treasury of the United States;

(4) for developing new markets on a mutually beneficial basis;

(5) for grants-in-aid to increase production for domestic needs in friendly countries; and

(6) for purchasing materials for United States stockpiles.

(b) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, local currencies owned by the United States shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946, as amended, and to the Joint Committee on Atomic Energy and the Joint Economic Committee and the Select Committees on Small Business of the Senate and House of Representatives for their local currency expenses: *Provided*, That each member or employee of any such committee shall make, to the chairman of such committee in accordance with regulations prescribed by such committee, an itemized report showing the amounts and dollar equivalent values of each such foreign currency expended, together with the purposes of the expenditure, including lodging, meals, transportation, and other purposes. Within the first sixty days that Congress is in session in each calendar year, the chairman of each such committee shall consolidate the reports of each member and employee of the committee and forward said consolidated report showing the total itemized expenditures of the committee and each subcommittee thereof during the preceding calendar year, to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate). Each such report submitted by each committee shall be published in the Congressional Record within ten legislative days after receipt by the Committee on House Administration of the House or the Committee on Appropriations of the Senate.

(c) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, if the President finds that participation by the United States in an internationally financed program to preserve the great cultural monuments of the Upper Nile would promote the foreign policy of the United States he may, subject to the approval of the Congress, use or enter into agreements with friendly nations or organizations of nations to use, for this purpose, foreign currencies owned by the United States which have been generated under this Act or under the Agricultural Trade Development and Assistance Act of 1954, as amended, in the countries in which the program is to be carried out, but the value of foreign currencies so used shall not exceed an amount equal to 33 1/3 per centum of the total cost of such program.

Mr. FULBRIGHT. Mr. President, I wish to make clear that the remarks of the Senator from Delaware may, erroneously, be interpreted by some as dealing with a matter of great secrecy. However, section 502 was included in the law last year, on the recommendation of the committee; and it requires that an itemized accounting be made of the total expenditures for all purposes.

I now read from subsection (b) of section 502:

Within the first sixty days that Congress is in session in each calendar year, the chair-

man of each such committee shall consolidate the reports of each member and employee of the committee and forward said consolidated report, showing the total itemized expenditures of the committee and each subcommittee thereof during the preceding calendar year, to the Committee on House Administration of the House of Representatives (if the committee be a committee of the House of Representatives or a joint committee whose funds are disbursed by the Clerk of the House) or to the Committee on Appropriations of the Senate (if the committee be a Senate committee or a joint committee whose funds are disbursed by the Secretary of the Senate).

That part of the law requires such reporting, and there is that reporting.

The remarks of the Senator from Delaware would seem to imply that some different procedure is followed in this case. But, as I have already pointed out, the procedure here is no different from the procedure followed by the executive branch. The President does not publish such information. He merely reports it to the Comptroller General. Similarly, we report the information to the committee.

Furthermore, many of the members of my committee who have made foreign trips have voluntarily published, in their reports to the Senate, an itemized account of their expenditures.

The Senator from Delaware has referred to expenditures by businessmen and to the income tax returns of businessmen. In their income-tax returns, they itemize those expenditures—just as Senators itemize these expenditures in their reports to the committee. But income tax returns are not published. So I think it unfair to suggest that there is any great amount of secrecy in this connection. The Senator from Delaware knows that the income-tax returns of businessmen are not published. The Finance Committee may examine the returns, under certain circumstances; but they are not made public.

All these accounts are furnished to the chairman of the committee, and are consolidated; and the totals are published in the RECORD. I do not see anything wrong with the existing practice. No one is trying to fool anyone.

Similarly, when the Vice President makes a trip abroad, he is not required to publish an itemized account of his expenditures. He reports them, just as we do.

I have no objection to the amendment, except that it should not be applied so narrowly. If such an amendment is to be adopted, it should apply all the way across the board, and should also apply to the President and to the Vice President.

Mr. WILLIAMS of Delaware. The only difference from existing law is that the itemized list furnished by the individual Members will, in turn, be submitted to the Congress rather than consolidated in one, overall return. That is the difference.

Mr. FULBRIGHT. That is correct.

Mr. WILLIAMS of Delaware. I have not said that the income tax returns of businessmen are published. I said the American businessmen have to keep and file the same records that this amendment would require of Members of Con-

gress when they are spending public money. If this record keeping is not too burdensome for the taxpayers it will not hurt us.

Mr. FULBRIGHT. But all income tax returns are kept secret, in that they are not published. Is that not true?

Mr. WILLIAMS of Delaware. Yes; but the Government can examine the returns and can find fault with them if it wishes to do so.

On the other hand, when Members of Congress make foreign trips and, in that connection, spend money which belongs to the American taxpayers, why should such expenditures be kept under a cloak of secrecy? Why should we not render a public accounting?

Mr. FULBRIGHT. Then why does not the Senator from Delaware provide in the amendment that all income tax returns be published?

Mr. WILLIAMS of Delaware. Let us not be ridiculous, Mr. President. If the Senator from Arkansas is opposed to the amendment let him vote against it. He knows that this amendment does not even mention tax returns.

Mr. FULBRIGHT. But I think the Senator from Delaware is leaving an implication that is not warranted by the existing facts; and I believe the RECORD should be accurate and clear.

Mr. WILLIAMS of Delaware. So far as I know, no other branch of the Government is treated in the way that the Members of Congress voted to treat themselves when by means of a provision which was included in a former Mutual Security Act, it was provided that we could spend these foreign currencies and not have to render any public accounting.

Mr. FULBRIGHT. But in my opinion that is not so; I think that is an incorrect interpretation of what the law now provides.

Mr. WILLIAMS of Delaware. If the Senator from Arkansas believes that the law now provides for full disclosure, why should the Senator object to the adoption of this amendment?

Mr. FULBRIGHT. I am not objecting to it; I merely say there should be complete disclosure all across the board, if that is to be the procedure called for by the amendment.

Mr. BUTLER. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. BUTLER. Is there any different treatment if a congressional committee makes a foreign trip and, in that connection, uses funds which it obtains from the chairman of the committee? In the other case, the committee uses counterpart funds.

Mr. WILLIAMS of Delaware. Under this amendment there is no difference in the expenditures of dollars or foreign currencies.

Mr. BUTLER. Is there any difference now?

Mr. FULBRIGHT. No.

Mr. BUTLER. Then why does not every Member of Congress submit a statement of his dollar expenditures the minute he returns to the United States? But we have never done that.

Mr. WILLIAMS of Delaware. Several Members have submitted itemized

reports to the Congress. This amendment will require them all to do so.

Mr. BUTLER. But does any rule require that that be done?

Mr. WILLIAMS of Delaware. No. Not under present law.

Mr. BUTLER. In other words, if a Member of Congress spends American dollars in paying his expenses on such a trip, when he returns to this country he informs his committee chairman of what he has spent; and the committee chairman sends that itemized account to the General Accounting Office, and it is there a public record. The same is true if counterpart funds are used. So I do not see the difference.

If there is to be a requirement that an itemized statement of the expenditures be made public, by stating it on the floor of the Senate, why not make a similar requirement in the case of American dollars that are spent by Senators in paying the expenditures required in connection with such trips?

Mr. WILLIAMS of Delaware. Under existing law both are treated alike, and the same is true under this amendment. Neither are made public under existing law.

Mr. BUTLER. But no one has ever said there was any secrecy in connection with the dollar expenditures made by a Senator who took such a trip. However, there seems to be a suggestion of some sort of mystery about the use of counterpart funds for such purposes.

I agree with the Senator from Arkansas; I think the public are entitled to have this information. But when a Senator, upon his return, submits a detailed account to the committee chairman, and when that account is available to every member of the committee, I think that constitutes sufficient accounting.

Mr. FULBRIGHT. That is in accordance with existing law.

Mr. WILLIAMS of Delaware. Existing law requires that that information be available to the committee chairman and presumably, to the other members of the committee, but to no one else. But existing law does not require that an audit of those expenditures be made by the Comptroller General. Nor are they available for public examination.

This amendment would require the publishing of these records. In other words it would require an accounting.

Even in an instance where the State Department might see a glaring abuse in the spending of these funds by a Member of Congress or a staff member it could not question it.

Mr. PROXMIRE. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. PROXMIRE. I wish to commend the Senator from Delaware for submitting the amendment. I believe it is an excellent one. Certainly it is time for the American people to have these facts.

Under the circumstances, I think the Members of Congress perhaps should be encouraged to travel abroad even more. But, at the same time, the American people have a perfect right to know where their tax funds are going.



I think the Senator from Delaware is performing a very valuable service by offering the amendment.

Mr. WILLIAMS of Delaware. I thank the Senator from Wisconsin.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield to me?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. I wish to associate myself with the amendment of the Senator from Delaware. I assume that the expenditures for the trips which have been made have been justified. If they have been justified, there should be no question about a willingness to submit open reports for examination by the public.

I find a difference between asking private enterprise, through its directors and officials, to submit reports—theirs is not public business—and asking a Senator or Representative who goes abroad as the agent of the American people to submit a report. The people are his principal, and the principal is entitled to have an accounting from his agent. It is, in effect, a position of trust, and that position requires an open disclosure of what expenditures have been made and how they have been justified while the agent is acting in behalf of his principal.

I think that we shall be serving ourselves and the people of the United States in letting them know that Senators have no qualms or fears about disclosing fully, in open daylight, what their activities have been and what their expenditures were when they made trips to foreign countries.

Mr. WILLIAMS of Delaware. I agree with the Senator from Ohio, and I thank him for his contribution. I point out again that four or five members of the Foreign Relations Committee, and perhaps other Members of the Senate whose activities have escaped my attention, have made an accounting similar to that which is proposed. All the comment I have seen in the press editorially was complimentary with respect to those trips and the accounting.

I think much good has been rendered by many of these trips. I support them. I think official trips should be financed by the U.S. Government.

As the Senator from Ohio has pointed out, when those trips are on official business the people are willing to pay for them, but they are entitled to an accounting. That is all we are asking in this amendment. This is public money we are spending. We are in an unjustifiable position when we criticize the executive branch of the Government for imposing a cloak of secrecy on their expenditures when we impose one on ourselves.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. WILEY. I am trying to ascertain if we can arrive at some kind of agreement. A few moments ago the Senator was about to suggest the absence of a quorum. I do not know whether we shall be able to secure a quorum.

The minority leader, the Senator from Illinois [Mr. DIRKSEN], has just come into the Chamber. I asked him to come.

I wondered if we could go over until tomorrow morning at 12, with the understanding that at a certain hour the Senate would vote on the amendment. I wonder if such an arrangement is agreeable.

Mr. FULBRIGHT. Mr. President, if the Senator will yield, it is agreeable to me, if the Senator wants to make such a unanimous-consent request.

Mr. WILLIAMS of Delaware. Whether we vote tonight or go over until tomorrow does not make any difference to me.

Mr. FULBRIGHT. I cannot speak for the majority leader, but I do not suppose he has any objection.

Mr. DIRKSEN. Mr. President, I should like to direct attention to the fact that, among other things, we have a joint meeting scheduled for tomorrow. I made a suggestion that the Senate meet at 11 o'clock tomorrow morning, so action on the bill could be completed early in the day. If the Senator will bear with me for a moment, I think it is only appropriate to acquaint the majority leader with the situation.

Mr. WILLIAMS of Delaware. Perhaps we could get enough Senators in the Chamber to have the yeas and nays ordered.

Mr. President, if it is satisfactory, in order to avoid suggesting the absence of a quorum, I ask unanimous consent that the yeas and nays be ordered on this amendment.

Mr. WILEY. My only thought was whether a quorum could be obtained. The suggestion of the absence of a quorum would result in pulling Senators from here and yonder.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Mr. FULBRIGHT. Mr. President, is the request that the yeas and nays be considered as having been ordered?

Mr. WILLIAMS of Delaware. Yes.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, I will leave it to the leadership whether we should have a vote tonight or carry it over until tomorrow.

Mr. FULBRIGHT. Mr. President, if the Senator will yield to me for a moment, while he is inquiring, I wish to make clear my position. I think the existing law, insofar as the responsibilities of the Foreign Relations Committee are concerned, deals with foreign currencies. The Senator is quite correct; I have no objection to the Senator's effort to make this information public. I certainly have no personal interest in it, because I do not particularly like to travel. This provision may give me an excuse not to travel any further, because I prefer to stay at home.

The Senator is injecting the requirement in regard to dollars. This proposal does go beyond the present specifics that relate to the Foreign Relations Committee. It involves the Appropriations Committee and all the other committees which traditionally have used dollars. I do not object to the reports being made

public. I only object to the Senator from Delaware using the instance he referred to as an example of itemized reporting, because it is not an appropriate example, since the reports are not published.

My only comment with regard to the President and Vice President is that those reports are not published, and the Senator is not proposing that they be published. I do not object to the President's spending what is necessary on these trips. It is perfectly proper. But I can see how it might not be very good public relations to have this information published, because, in the eyes of farmers and other persons who are having a hard time making a living, to read that \$5 or \$10 million were spent on a trip to South America might not be appreciated by them.

The discussions that were had did not primarily relate to the requirement of reporting. There is a requirement of reporting in the present law. If it is desired to provide that the Comptroller General be included in the examination, I am sure there is no objection. The real objection is the fact that persons who do not understand the requirements of going to a foreign country, and requiring the Committee on Foreign Relations to examine into and investigate foreign operations, especially in the military field, would never comprehend the need for it if that information were published on an individual basis.

Whether the amendment is adopted or not does not make any difference to me. I am perfectly willing to vote for the proposal but I was not willing to accept it in the committee because I thought it was the responsibility of the whole Senate to consider it, and the Members of this body ought to know what they were doing. This proposal will require that the itemized individual expenditures of every Member be published in the Record. I think this information will be used adversely in many instances, when individual Members should not be prejudiced in that way, because most of the trips are taken at the request of the Senate or interparliamentary groups or other authorities which are perfectly legitimate.

The press is likely to refer to any trip as a junket. They refer to every trip, no matter what the necessities are, as a junket, and that is the background against which this kind of publication will be announced.

Nevertheless, I am willing to vote for the amendment. I shall vote for it.

Mr. WILLIAMS of Delaware. Mr. President, I am not suggesting this amendment with the thought of holding any Member of Congress up to ridicule. I have said before, and I repeat, that I think it will serve a constructive purpose. I know of no better way to emphasize that the Senator from Arkansas is unduly alarmed than by pointing out that five, and perhaps six, members of the Foreign Relations Committee have already done what this amendment proposes be done by every Member of the Congress; namely, publish their expenditures of public funds; and not one of them has been criticized in the press so far as I have seen.

On the contrary, I have seen many comments in the press complimenting these Members of the Senate. I do not think the press is going to blow up out of proportion the fact that some Senator has taken an official trip where the trip is paid for by the Government and a proper accounting rendered. On the other hand, if in the accounting something turns up which cannot be justified to the taxpayers we may be criticized, and perhaps—only perhaps—there are some expenditures which deserve criticism.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from Colorado [Mr. CARROLL], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Hawaii [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Utah [Mr. MOSS], the Senator from Montana [Mr. MURRAY], the Senator from Georgia [Mr. RUSSELL], the Senator from Texas [Mr. YARBOROUGH], and the Senator from West Virginia [Mr. BYRD] are absent on official business.

I also announce that the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON] are necessarily absent.

I further announce that, if present and voting, the Senators from New Mexico [Mr. ANDERSON and Mr. CHAVEZ], the Senator from West Virginia [Mr. BYRD], the Senator from Colorado [Mr. CARROLL], the Senator from Delaware [Mr. FREAR], the Senator from Rhode Island [Mr. GREEN], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Hawaii [Mr. LONG], the Senator from Louisiana [Mr. LONG], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Oregon [Mr. MORSE], the Senator from Utah [Mr. MOSS], the Senator from Montana [Mr. MURRAY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Georgia [Mr. RUSSELL], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Maryland [Mr. BEALL] and the Senator from Utah [Mr. BENNETT] are necessarily absent.

The Senator from New York [Mr. JAVITS] is absent by leave of the Senate to attend as Chairman of the Economic Committee a meeting of the NATO Parliamentary Conference at Strasbourg, France.

The Senator from New Hampshire [Mr. COTTON] and the Senator from Nebraska [Mr. HRUSKA] are absent on official business as members of the Board of Visitors of the U.S. Military Academy.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from North Dakota [Mr. BRUNSDALE], the Senator from Kansas [Mr. CARLSON], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Kansas [Mr. SCHOEPP] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. HRUSKA], the Senator from New York [Mr. JAVITS], and the Senator from Kansas [Mr. SCHOEPP], would each vote "yea."

The result was announced—yeas 68, nays 0, as follows:

## YEAS—58

Aiken	Fong	Martin
Allott	Fulbright	Monroney
Bartlett	Goldwater	Morton
Bible	Gore	Mundt
Bush	Hart	Muskie
Butler	Hartke	Pastore
Byrd, Va.	Hennings	Prouty
Cannon	Hill	Proxmire
Capehart	Holland	Randolph
Case, N.J.	Jackson	Robertson
Case, S. Dak.	Johnson, Tex.	Saltounstall
Church	Johnson, S.C.	Scott
Clark	Jordan	Smathers
Cooper	Keating	Smith
Curtis	Kerr	Stennis
Dirksen	Kuchel	Talmadge
Dodd	Lausche	Thurmond
Douglas	Lusk	Wiley
Dworshak	McCarthy	Williams, Del.
Eastland	McGee	Williams, N.J.
Ellender	McNamara	Young, N. Dak.
Engle	Magnuson	Young, Ohio
Ervin	Mansfield	

## NAYS—0

## NOT VOTING—32

Anderson	Green	McClellan
Beall	Gruening	Morse
Bennett	Hayden	Moss
Bridges	Hickenlooper	Murray
Brunsdale	Hruska	O'Mahoney
Byrd, W. Va.	Humphrey	Russell
Carlson	Javits	Schoeppel
Carroll	Kefauver	Sparkman
Chavez	Kennedy	Symington
Cotton	Long, Hawaii	Yarborough
Frear	Long, La.	

So the amendment of Mr. WILLIAMS of Delaware was agreed to.

Mr. CASE of South Dakota. Mr. President, I desire to offer an amendment, to incorporate language in the bill, which appeared in the bill last year as it was reported to the Senate. It was adopted by the Senate, but it was not agreed to in conference. It is the so-called foreign language amendment, which would make it possible for teachers of foreign languages to receive scholarships which would be supported by counterpart funds.

I have shown the amendment to the Senator from Arkansas [Mr. FULBRIGHT]. It was his amendment last year. I thought it had merit last year, and I should like to see it included in the bill this year.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to state the amendment.

Mr. CASE of South Dakota. Mr. President, it is a little lengthy to read. On my statement that it is a verbatim copy of the language which was included in the Senate bill last year, I suggest that it be not read and be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 26 after line 8, insert the following:

"Sec. 607. Public Law 885, Eighty-fourth Congress (70 Stat. 890, 5 U.S.C. 170f-170t), which provides certain basic authority for the Department of State is amended by adding at the end thereof a new section reading as follows:

"Sec. 16. (a) The Secretary of State is authorized to make grants to individuals who are engaged in teaching any modern foreign language, in an elementary or secondary school or an institution of higher education. Such grants shall be for the purpose of enabling such individuals, during the summer period when their services as teachers are not required, to obtain in an area, region, or country in which the language they are teaching is commonly used, advanced training in such language and training in other fields needed for a full understanding of such area, region, or country. The Secretary shall consult with the Secretary of Health, Education, and Welfare with respect to the selection of individuals for grants under this section and the establishment of standards for their selection, and the Secretary of State may make arrangements for the performance by the Department of Health, Education, and Welfare of such functions under this section as may be mutually agreeable to the Secretary of State and Secretary of Health, Education, and Welfare.

"(b) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, the Secretary of State, in carrying out the provisions of this section may use currencies, or credits for currencies of any foreign government (1) held or available for expenditure by the United States and not required by law or agreement with such government to be expended or used for any other purpose, or (2) made available under the provisions of subsection (c) of this section.

"(c) In order to make additional funds available for the purposes of this section the Secretary of State is authorized to enter into an executive agreement or agreements with any foreign government for the use of currencies, or credits for currencies, of such government deposited pursuant to agreements entered into under section 142(b) of the Mutual Security Act of 1954 or section 115(b)(6) of the Economic Cooperation Act of 1948, or any other Act and not required by agreement with such government to be expended or used for any other purposes."

Mr. FULBRIGHT. Mr. President, I have told the Senator from South Dakota that I am strongly in favor of the amendment and am willing to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE].

The amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. KUCHEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.



# ORDER FOR ADJOURNMENT UNTIL 10 O'CLOCK A.M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 10 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I remind the Senate that we shall have a joint session tomorrow. I hope we can have a relatively short morning hour and that we can then proceed to the consideration of any amendments that may be offered to the pending bill, with the hope that we can reach a vote on the passage of the bill sometime tomorrow. I should like to have all Members to be prepared for a yea-and-nay vote tomorrow.

## MUTUAL SECURITY ACT OF 1960

The Senate resumed the consideration of the bill (S. 3058) to amend further the Mutual Security Act of 1954, as amended, and for other purposes.

Mr. DOUGLAS. Mr. President, on behalf of myself and the Senator from New York [Mr. KEATING], the Senator from Montana [Mr. MANSFIELD], the Senator from Oregon [Mr. MORSE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Pennsylvania [Mr. CLARK], the Senator from Hawaii [Mr. FONG], the Senator from Alaska [Mr. BARTLETT], the Senator from Michigan [Mr. HART], the Senator from Alaska [Mr. GRUENING], the Senator from Ohio [Mr. YOUNG], the Senator from North Dakota [Mr. BRUNSDALE], the Senator from New Jersey [Mr. CASE], the Senator from California [Mr. KUCHELL], the Senator from New Jersey [Mr. WILLIAMS], the Senator from Connecticut [Mr. DODD], and the Senator from Wisconsin [Mr. PROXMIER], I desire to submit an amendment, which I ask to have printed and to lie on the table, and printed in the RECORD.

I should like to explain the effect of the amendment. It would include a statement of policy to reaffirm American support for freedom of navigation in international waterways, including the Suez Canal, opposition to economic warfare, including boycotts, blockades, and restrictions of the use of international waterways.

Its purpose is to express the will of Congress, but to be applied as the President may determine to be proper.

I may say that this statement of policy was recommended by the House Foreign Affairs Committee, was adopted by the House, and appears in the House bill. Unfortunately, it is not included in the bill being considered by the Senate.

The sponsors of the measure believe that the House committee makes it clear that this statement refers to the blockade of the Suez Canal. The amendment leaves the prime authority for the application of the policy in the hands of the President, but it lays down a clear statement of an important international principle which will reinforce the ad-

ministration in its efforts to secure freedom of navigation through this all-important waterway, and to promote the cause of peace in the Middle East.

Mr. President, I believe I have already asked that the amendment be printed in the CONGRESSIONAL RECORD. Additional sponsors will have an opportunity to join in sponsoring the amendment during the session tomorrow. I ask that the amendment may be received and printed and lie on the table, and that the text of the amendment may be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed, and will lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 11, between lines 8 and 9, insert the following:

### "STATEMENT OF POLICY

"SEC. 2. Section 2 of the Mutual Security Act of 1954, as amended, which is a statement of policy, is further amended by adding at the end thereof the following:

"(f) It is the sense of the Congress that inasmuch as—

"(1) the United States favors freedom of navigation in international waterways and economic cooperation between nations; and

"(2) the purposes of this Act are negated and the peace of the world is endangered when nations which receive assistance under this Act wage economic warfare against other nations assisted under this Act, including such procedures as boycotts, blockades, and the restriction of the use of international waterways;

assistance under this Act and the Agricultural Trade Development and Assistance Act of 1954, as amended, shall be administered to give effect to these principles, and, in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this Act or arising under the Agricultural Trade Development and Assistance Act of 1954, as amended, these principles shall be applied, as the President may determine, and he shall report on measures taken by the administration to insure their application."

## THE ITEM VETO ON APPROPRIATION BILLS

Mr. WILLIAMS of Delaware. Mr. President, on February 3, 1959, the junior Senator from New York [Mr. KEATING] introduced Senate Joint Resolution 44, which proposes a constitutional amendment to give the President of the United States the power to disapprove specific and individual items in general appropriation bills.

The need for an item veto, which this amendment would provide, has long been recognized by many of us in the Congress as a necessary and important step forward in the constant battle to reduce or eliminate unneeded expenditures of public funds.

I was pleased to join with several other Senators in cosponsoring Senate Joint Resolution 44 with the Senator from New York. The junior Senator from New York has long been an advocate of the item veto, and sponsored similar legislation on several occasions when he served in the House of Representatives.

The Senator has recently written an excellent article citing both the great need and the advantages to be derived from the adoption of an item veto provision in our Constitution. The article first appeared in the Harvard Law Record of February 11, 1960, and was later reprinted in the Federal Bar News of April 1960. I commend it to all Senators as a fine statement of the need for this legislation, and request unanimous consent to have the article printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE ITEM VETO: A NEEDED REFORM

(By Senator KENNETH B. KEATING)

(The Honorable KENNETH B. KEATING received his LL.B. from the Harvard Law School in 1923. Since that time he has been in the practice of law in Rochester, N.Y. During World War II, he rose from major to brigadier general in the Army, serving in both the European and Asian theaters. He was a Member of the House of Representatives for the 80th through the 85th Congresses. In 1958 he was elected to the U.S. Senate as a Republican from New York. He presently serves in that capacity.)

For nearly a century the pros and cons of granting the President of the United States the authority to veto specific items in appropriation bills approved by Congress have been considered. While there have been sporadic bursts of interest in this subject, there has never been the consistent and sustained backing for this proposal that its potential importance justifies.

I am hopeful the present national concern about our fiscal stability, combined with the successful experience of our States in utilizing this valuable tool, will soon lead to affirmative action by Congress and the American people on the item veto. In my opinion, no step is longer overdue, no reform could reap greater benefits for individual taxpayers, and no single change in our governmental processes could save more money more wisely.

Article 1, section 7, of the Constitution provides that "every bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a law, be presented to the President of the United States; if he approves he shall sign it, but if not he shall return it."

This veto power of the President, as it was written into the Constitution and as he must exercise it today, places a serious and unnecessary handicap on the Chief Executive. It is an "all or nothing at all" decision that confronts him each time a bill appears on his desk.

With regard to appropriation measures, this situation is especially unfortunate, and it is only in connection with money bills that the item veto has been seriously considered. It is not at all unusual for an appropriation bill to contain many separate items listing the goods or services or functions of the Government along with their costs. Yet the President, in spite of his experience and knowledge of the agencies which will receive and spend this money, and his overall budgetary responsibilities, is given no opportunity to exercise discretion on a selective basis.

At a time when the budget of the United States, even after it has been carefully prepared with the utmost savings in mind, is bound to be enormous, this situation is difficult to understand or justify. The President must accept the wasteful and extravagant items along with the useful and necessary ones, or he gets nothing by vetoing the entire bill.

The item veto, therefore, is not just some abstruse or trifling governmental device of

interest only to political scientists and constitutional lawyers. It should be the concern of every American citizen, who has a right to expect of his Government nothing less than the most efficient use of every dollar he contributes in taxes.

Adoption of the item veto by the Federal Government would not mean the introduction of some new and untried process into the Federal Government processes. On the contrary, the longtime use of this power in the American States constitutes one of the most persuasive arguments for its application at the national level.

The item veto first appeared in America during the Civil War in the Constitution of the Confederate States. Its record of adoption by the States following this conflict is most impressive. As new States entered the Union, and as older ones revised their constitutions, the item veto for the Governor became an established feature. With the admission of our newest States, Alaska and Hawaii, both of which provide for the item veto, the number of States with this provision now totals 42.

#### TRIBUTE

No State which has granted its Governor this power has ever subsequently withdrawn it. This is an impressive tribute to its practical value and a striking refutation to the arguments of those who fear its abuse.

The use of the item veto and the strong endorsement it has been given by many Governors constitute the most eloquent testimony to its real worth. Data presented at hearings before the House Judiciary Committee in 1957 on the item veto fully support this statement. For example, in Pennsylvania, where records have been kept with some care, appropriations were reduced by almost \$166 million through item vetoes between 1931 and 1957. Another \$133 million was cut out through vetoes of entire bills. The fact that the larger amount was removed through the selective type of veto is an interesting commentary on its usefulness.

These figures do not, of course, prove that the Governor was always right and the legislature always wrong. What they do show is the effect of having a second look, a second type of expertness, backed up with the power to act, at work in the appropriations process. They show the positive effects of vigorous application of this power.

As might be expected, the item veto has drawn much enthusiastic support from the Governors themselves. Former Governor Driscoll, of New Jersey, wrote: "Although the . . . item veto . . . will be sparingly used, the Governor attaches great significance to it." Former Governor of Illinois, Frank Lowden, said: "It has been helpful in keeping expenditures down." Former Governor Burnquist, of Minnesota, called the item veto "a very wise provision." The former Governors of Iowa, Indiana, Nevada, and North Carolina, States not conferring the right to veto items, expressed regret that this power was denied them. In the course of congressional hearings in 1954, every single Governor who responded answered "Yes" to the question: "In your opinion, has the item veto been a desirable feature of your State government?"

In a statement prepared for the 1957 hearings, Prof. Frank W. Prescott, who has written extensively on the item veto, concluded: "Upon the basis of State experience and in some of the larger cities which have the item veto, the writer would endorse the item veto in principle for the President of the United States."

Many other distinguished political scientists share these views. One of the greatest of them, Lord Bryce, in his classic study, "The American Commonwealth," wrote: "Such an amendment [the item veto] is desired by enlightened men. . . . Small as the change seems, its adoption would . . .

save the Nation millions of dollars a year, by diminishing wasteful expenditure on local purposes."

More recently, Sydney Hyman has written in his volume, "The American President," that the item veto "would enable the President to pinpoint the pernicious details of legislation and appropriations, and veto them while he signed what remained. At present he has to throw the baby out with the bath water, or drink the bath water in order to embrace the baby."

#### PRESIDENT COMPELLED

In his recent book, "The American Presidency," Prof. Clinton Rossiter wrote:

"There is one final defect in the relations of President and Congress of which we should take careful note. . . . I refer to his lack of any power to veto separate items in the overstuffed appropriations bills presented for his approval. The President often feels compelled to sign bills that are full of dubious grants and subsidies rather than risk a breakdown in the work of whole departments."

Opponents of the item veto at the Federal level have expressed their fear that it would give the President too much power—power gained at the expense of Congress. As a general principle, I am in sympathy with the belief that we must zealously guard legislative responsibilities and prerogatives.

In the case of the item veto, however, I do not believe this to be a compelling argument. In the first place, both the beginning and the final responsibility for appropriations would continue to remain right where the Constitution placed them—with Congress. The custom would continue of initiating spending bills in the House Appropriations Committee; and the power of Congress to override an item veto, as well as the veto of an entire bill, would, of course, be complete and final.

It has also been contended that the item veto would weaken congressional responsibility for appropriations. This position can hardly be maintained. It is true that the President's role in the appropriations process would be enlarged, but this would be desirable since practically all Federal money is spent by the executive agencies which are responsible to him and for which he is responsible. But, as I have already indicated, ultimate authority at both the start and the finish with regard to these appropriations would still be with Congress. Any loss of responsibility by Congress in this matter would, therefore, be the result of a forfeiture by Congress itself rather than a forced deprivation.

The idea of the item veto has been attacked on the grounds that it would upset the system of checks and balances and weakens the doctrine of the separation of powers. There is little reason in theory to worry about this, and the extensive experience in the States with the item veto helps refute this charge. The fundamental authority and responsibility of both the President and Congress would remain unchanged. The President surely would find his hand strengthened with respect to appropriations, but not more than is necessary to execute properly the duties placed upon him by the Constitution.

The advantages of the item veto are obvious and compelling. It would reduce public expenditures substantially by making possible the reduction or elimination of many unnecessary "pork barrel" appropriations. The item veto could snip out the verbiage without rejecting the rest of the bill.

#### RIDERS ELIMINATED

In short, the item veto should go a long way toward establishing a fair and rational method for determining appropriations, and it could serve to expedite the entire process as well. All of this says nothing of the great potential value of the item veto as a means

of doing away with riders, those pieces of substantive legislation having nothing whatsoever to do with appropriations, but attached, nevertheless, to appropriations bills because only in this way can they be passed. Most riders are usually too weak to stand alone, but under the present arrangement the President must either approve them or wipe out the whole appropriation.

Many of our Presidents have deplored their lack of authority to veto separate items. Buchanan did so in his first annual message to Congress. Grant asked for a constitutional amendment to effect the change. Hayes chafed under the weight of undesirable riders he had to take with the appropriations. Arthur and Taft both urged the adoption of the item veto, as did Franklin D. Roosevelt.

In the second volume of his "Memoirs," former President Truman wrote: "One important lack in the presidential veto power . . . is the authority to veto individual items in appropriation bills." In one letter to the Speaker of the House, President Eisenhower urged that Congress " . . . help assure continuing economy . . . take action that will grant the President the power now held by many State Governors to veto specific items in appropriation bills." He has repeatedly voiced his backing for this proposal in messages to Congress.

If the item veto is to be given to the President, how should it be done? This action could take any of two forms which are now before Congress. They are the Executive order method and the amending of the Constitution.

The Executive order plan would grant to the President by statutory law what is, in effect, the item veto. The phrasing of the bill before the present Congress (S. 2373), of which I am cosponsor, very well explains its purpose: "That the President is authorized to eliminate or reduce by Executive order, in whole or in part, any appropriation or appropriations made by an act or joint resolution. . . ." Under this measure the public interest becomes the primary criterion by which the President would be guided. His decision would stand unless either House of Congress passed a resolution within 60 days stating that it does not favor this action.

This method is similar to that which controls Presidential reorganizations of the executive branch agencies. As applied to appropriation vetoes, it has a precedent in an amendment offered to a money bill by Representative Woodrum in 1938. At that time a careful legal memorandum was written justifying the constitutionality of this approach.

If given no other choice, I should be happy to support the Executive order method because I am convinced that any form of the item veto would be of great value. My preference, however, is for an amendment to the Constitution to achieve this objective. Senate Joint Resolution 44, which I introduced in February 1959, and which is similar to measures I sponsored for years as a member of the House of Representatives, calls for the adoption of such an amendment. The proposal is straightforward and clear. Although the issue is of great importance, it can be expressed in unmistakable language, and that is what I have tried to do.

#### AMENDMENT

The heart of my amendment reads simply:

"The President shall have the power to disapprove any item or items of any general appropriation bill which shall have passed the House of Representatives and the Senate and have been presented to him for his approval, in the same manner and subject to the same limitations as he may, under section 7 of article I of this Constitution, disapprove as a whole any bill which shall have been presented to him."



Granting the item veto by constitutional amendment rather than by some other method would, in my judgment, have distinct advantages. Perhaps the most important of these is that there would be absolutely no question about its legality. Despite strong legal arguments that can be mustered in support of other methods, such as by amending the statutes, a shadow of doubt would still lie over them in the minds of some people. There would always be the possibility of their being challenged as being in conflict with the veto provisions of the Constitution. I find myself in agreement with the words of Prof. Edward Corwin, who wrote in his "The President: Office and Powers": "I find persuasive \* \* \* the argument that this reform (item veto) would require a constitutional amendment."

#### ARGUMENT

Another argument in favor of the amendment method is that, once adopted, it could be revoked only by going through the amendment process again. This would protect the President from any hasty, capricious, or ill-considered action by Congress that might arise as a result of a conflict or misunderstanding.

It can be argued, of course, that an amendment would make it far more difficult to correct a mistake. This is true. But the evidence, including the experiences of the States, is overwhelming that the item veto, far from being a mistake, would be a most valuable addition to the procedures and techniques of good government.

I believe firmly that the Constitution should not be amended except for the most pressing and compelling reasons. It should not be amended if a desirable objective of fundamental importance can be attained by other legal means. Amending the Constitution is a very serious business which should be undertaken only after the most profound thought and after every alternative approach to a problem has of necessity been rejected for good and substantial reasons.

#### OPINION

In my opinion, on the basis of these standards, giving the President the power to veto separate items in appropriation bills is of sufficient importance to justify this change in our fundamental law. Achieving this goal will not be easy, but no goal of any value was ever attained without toil and travail.

This is a task which I believe should command the energies and efforts of all knowledgeable citizens who are concerned about the efficient and equitable operation of our Government. It is a cause to which members of the bar and potential members of the bar can uniquely add their talents.

In the end, I am confident that the great preponderance of evidence in its favor, combined with the growing sophistication of the electorate and its representatives, will result in placing the item veto in our arsenal of constitutional powers. Vigorously and wisely applied by our Chief Executives, the result can be the saving of literally millions of dollars, wiser use of taxpayers' funds, and a more perfect functioning of the greatest system of government the mind of man has ever devised.

#### ADJOURNMENT TO 10 A.M. TOMORROW

Mr. KUCHEL. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 10 a.m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 50 minutes p.m.) the Senate adjourned, under the order previously entered, until tomorrow, Thursday, April 28, 1960, at 10 a.m.

#### NOMINATIONS

Executive nominations received by the Senate April 27, 1960:

##### PROMOTIONS IN THE REGULAR ARMY

The following named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299. All officers are subject to physical examination required by law:

##### To be captains

Abercrombie, Edward L., O76933.  
Adams, Basil R., Jr., O68982.  
Adams, John E., O88544.  
Adamson, George F., O87990.  
Adessa, Anthony J., O76935.  
Agnew, James B., O85473.  
Aguanno, Edwin M., O70580.  
Ainslie, Robert E., O69844.  
Aitken, Milton L., Jr., O70581.  
Akey, Charles D., O75133.  
Alameda, Donald J., O70582.  
Albro, Ames S., Jr., O70583.  
Allan, William L., O70584.  
Allen, Charles B., O89173.  
Alvey, Everett L., O76937.  
Amaki, Satoru, O81367.  
Anderson, Andrew H., O73283.  
Anderson, Darrell R., O70588.  
Anderson, George B., O76938.  
Anderson, Jerome H., O70589.  
Anderson, Richard V., O71754.  
Anderson, Robert C., O85122.  
Anderson, Warren H., O70161.  
Andre, Nick J., O68864.  
Andreas, Charles R., 3d., O70590.  
Andrew, Donald G., O76939.  
Anklam, Frederick M., O70591.  
Anthis, Robert F., O70592.  
Applewhite, Ray, O74627.  
Archer, William T., O70593.  
Archibald, Norman E., O79167.  
Arkley, Robert J., O80206.  
Armstrong, Raymond, O68867.  
Arnold, Thomas H., O81370.  
Asente, James, O88327.  
Atkinson, Ellis O., O68869.  
Augur, George M., O87997.  
Ault, William E., O89027.  
Avery, Cyrus S., 2d., O70595.  
Avveduti, Paul R., O68874.  
Awtrey, Sherry E., O77257.  
Ayers, Theodore F., O68875.  
Back, Arthur R., O76940.  
Bacon, Willis G., O70596.  
Baddaker, William L., O76941.  
Badger, Robert W., O70597.  
Bailey, Kenneth R., O70599.  
Bailey, Ronald O., O76942.  
Bain, John R., O81372.  
Baker, Russell A., O75140.  
Baldwin, Jessie E., O74629.  
Baldwin, William R., O70600.  
Ballantyne, John L., 3d., O70601.  
Balzhiser, Robert M., O79171.  
Bard, John C., O70602.  
Barksdale, Clifford B., O81374.  
Barnes, Harold F., O70603.  
Barnes, Robert S., O81375.  
Barnes, Wilson C., O70604.  
Barnitt, George W., Jr., O71139.  
Barrand, Kerwood W., O70605.  
Barron, William T., O88563.  
Bartolacci, Alfred D., O79177.  
Bass, Richard H., O79179.  
Bauer, Daniel H., O81376.  
Baughman, Richard C., O70608.  
Bean, John F., O68888.  
Beaube, George P., O74635.  
Beaumont, Charles D., O70610.  
Beckwith, George G., O79182.  
Bedell, Norman H., O70611.  
Beers, John R., O70164.  
Belcher, Eugene R., O71759.  
Bell, Alexander D., O88567.  
Bell, Frederick D., Jr., O76949.  
Bellows, Robert E., O69856.  
Beltman, Laurence J., O78635.

Benfer, Richard H., O70613.  
Benn, Clark H., O70614.  
Bennett, George C., Jr., O70615.  
Bennett, John C., O70616.  
Bennett, Raymond G., O76951.  
Bennett, Willard M., Jr., O79185.  
Bennetto, Edward, 2d., O84472.  
Benson, Joseph E., O71315.  
Berenger, Jack M., O70618.  
Berkey, Ronald R., O71443.  
Bernstein, Harold, O82141.  
Bidwell, Bruce W., O70619.  
Biggerstaff, Jack, O75145.  
Bilderback, Gerald, O76952.  
Billy, Myron D., O68900.  
Bishop, John G., O87678.  
Blackmore, James R., O85899.  
Blanche, John G., 3d., O81379.  
Blichmann, Donald J., O81381.  
Bockman, Leonard I., O74641.  
Bodine, James F., O79188.  
Boe, Richard L., O70622.  
Boggs, Joseph C., O72823.  
Boggs, William L., O73291.  
Bole, Albert C., Jr., O76954.  
Bonner, Laurence B., O70623.  
Bonomo, Reno J., O76956.  
Bonsall, Edward H., 3d., O82144.  
Boose, Gordon D., O70624.  
Boster, Philip L., O81382.  
Boswell, Aubrey R., O84951.  
Bowden, John C., Jr., O76958.  
Bowling, Fredrick B., O70625.  
Bowman, Joseph R., O88582.  
Boyd, Gerald M., O79192.  
Boyle, Dean G., O81384.  
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- McGraw, Russell M., O85350.  
 McGreevy, Edgar R., O82207.  
 McGuire, William E., Jr., O70852.  
 McKay, Kevin E., O88541.  
 McKay, William L., O73374.  
 McKenzie, Moran A., O69985.  
 McKie, Robert G., O69183.  
 McKnight, James R., O73375.  
 McLaughlin, Thomas J., O74772.  
 McLean, Raymond O., O88287.  
 McLennan, Richard, O84500.  
 McPherson, Robert M., O70857.  
 McRill, Billy L., O83105.  
 McSorley, Lester F., O71559.  
 McTigue, Donald H., O77121.  
 Meador, Marion F., O70858.  
 Meadows, Thomas R., O69202.  
 Means, John A., O82208.  
 Meese, John R., O71839.  
 Meggison, Robert H., O69205.  
 Meister, Melvin E., O71099.  
 Mellinger, Dale E., O67943.  
 Mendenhall, Robert L., O74773.  
 Menetrey, Louis C., O71395.  
 Mentillo, Louis R., O70859.  
 Merkilinger, George J., O88290.  
 Merrick, Philip B., O74775.  
 Metzger, Ronald W., O88832.  
 Meyer, Harvey B., O84223.  
 Meyer, Richard W., O84915.  
 Mickle, Franklin O., O69218.  
 Milburn, Lloyd E., O79385.  
 Miller, Charles E., Jr., O70861.  
 Miller, George F., O77124.  
 Miller, Harold L., O89261.  
 Miller, Harvey F., O77126.  
 Miller, James M., O70862.  
 Miller, John T., O70863.  
 Miller, Kenneth M., O77127.  
 Miller, Paul, Jr., O70864.  
 Miller, Richard J., O85046.  
 Miller, Thomas A., Jr., O70112.  
 Minturn, Lindsey B., O70866.  
 Mitchell, Alphonso, O70143.  
 Mitchell, William T., O87569.  
 Mix, James E., O81493.  
 Mizell, Dan J., O70214.  
 Mizell, John J., Jr., O82210.  
 Mock, Newell A., Jr., O79386.  
 Modica, Donald, O77128.  
 Monroe, Charles A., O77130.  
 Mooney, Harley F., Jr., O77131.  
 Mooney, Robert, O71233.  
 Moore, Gordon E., O70145.  
 Moore, James E., Jr., O70869.  
 Moore, Patrick J., O69226.  
 Moore, Pierce M., O69227.  
 Moore, Richard E., O69228.  
 Moore, Robert O., O69229.  
 Morn, Charles P., O71234.  
 Morrill, Donald P., O81494.  
 Morrill, George H., O77133.  
 Morris, Henry F., O85222.  
 Morris, Robert P., O70872.  
 Morrison, Patton N., O68648.  
 Morsey, James A., O69236.  
 Morton, Jack E., O68649.  
 Moseley, Robert L., O79392.  
 Moses, Edward M., O70874.  
 Moses, William C., O69994.  
 Mosher, David L., O79393.  
 Mott, Carl M., Jr., O69995.  
 Mountain, Benjamin, O73379.  
 Moxley, Robert J., O79394.  
 Mullen, Jack L., O79395.  
 Mullins, Thomas E., O70441.  
 Mulvanity, Donald C., O74786.  
 Munn, William R., O77138.  
 Murphy, Alvin F., O77139.  
 Murphy, James K., O79397.  
 Musser, John B., O79398.  
 Mustain, James C., O77141.  
 Muth, Roy W., O70878.  
 Nagorski, Walter J., O71405.  
 Neff, Owen B., O77143.  
 Negris, Rocco, O77144.  
 Neu, Dick D., O68657.  
 Neu, George T., O70881.  
 Newnham, Donald F., O70882.  
 Nicholson, Rowland J., O79402.  
 Nicholson, Thomas G., O85053.  
 Niemi, John A., O75260.  
 Nix, Eddie M., O89116.  
 Noffsinger, Gordon A., O79404.  
 Nolan, John R., O81499.  
 Nolin, Edmond R., O70004.  
 Norgard, Donald R., O79406.  
 North, Jerold M., O70883.  
 Northcutt, Maurice, O85056.  
 Nosek, George F., O87574.  
 Nowak, Donald E., O70884.  
 Nowalk, Charles L., O82216.  
 Nutter, Raymond T., O79407.  
 Oakes, James R., O70217.  
 O'Brien, George F., Jr., O70885.  
 Odom, William E., O70888.  
 Old, William D., 2d, O70889.  
 Oliver, Henry McC., O77150.  
 O'Malley, John M., O73383.  
 Openchowski, Kenneth F. A., O81501.  
 O'Quinn, James J., O69256.  
 Ormsby, Mark A., O70891.  
 Orr, Charles E., Jr., O84503.  
 Orr, Charles R., O70892.  
 Owens, Joe S., O73384.  
 Owens, Warren R., O69259.  
 Pace, Ray D., O70894.  
 Page, Harold R., O81504.  
 Palastra, Joseph T., Jr., O70895.  
 Palermo, Frank J., Jr., O74799.  
 Palmer, Warren T., O70896.  
 Palumbo, Joseph E., O70897.  
 Panageas, Dan P., O70007.  
 Panzer, Donald F., O70898.  
 Pappageorge, John G., O70899.  
 Parini, Romano J., O79413.  
 Parker, Hassel L., O73385.  
 Parker, Russell W., O70901.  
 Partridge, Charles C., O77151.  
 Partridge, Edward A., O70902.  
 Pascarella, Pascal W., O81507.  
 Passmore, Edwin E., O70903.  
 Patterson, Mercer H., O70904.  
 Patton, Eugene H., O75263.  
 Paul, William V., Jr., O70905.  
 Pauley, Francis L., O69264.  
 Pawlowski, Edward J. P., O70906.  
 Paxman, James C., O79417.  
 Payne, Thomas L., O79419.  
 Peisinger, Roman J., Jr., O70907.  
 Penney, Hubert F., O77621.  
 Percy, Francis J., O70908.  
 Perkins, Andrew D., Jr., O82219.  
 Perkins, Rodney B., O82220.  
 Perrin, Everett L., Jr., O75264.  
 Perrin, George E., O70909.  
 Person, David E., O77172.  
 Persons, George A., O79420.  
 Peters, Billy, O77154.  
 Petersen, Peter B., O79421.  
 Peterson, Jon H., O82222.  
 Peyton, Cary R., O70911.  
 Philbrick, Donald F., O72774.  
 Phillips, Benjamin M., 3d, O85360.  
 Phillips, John C., O68674.  
 Phillips, Ted N., O77158.  
 Plepho, Carlton D., O79425.  
 Pies, Donald A., O70016.  
 Plolunek, Chester J., O70913.  
 Plencner, Francis B., O88877.  
 Poarch, James W., Jr., O71111.  
 Poel, David J., O77160.  
 Pole, Freddie R., O81509.  
 Ponder, William L., Jr., O79430.  
 Pope, William A., O77161.  
 Porter, Clair E., O72968.  
 Porter, Donald C., O70915.  
 Porter, John G., O70916.  
 Portteus, Willard L., Jr., O70114.  
 Poteat, John A., Jr., O70917.  
 Powers, Paul V., O70918.  
 Prescott, Warren T., O77628.  
 Price, Francis K., Jr., O77165.  
 Price, Tommy E., O70115.  
 Proctor, Lawrence B., O77166.  
 Proietto, Raymond T., O73111.  
 Prokopowich, Lucien F., O77167.  
 Fuckette, Cecil L., O84067.  
 Purdy, John T., O70922.  
 Pursell, Alfred B., O77170.  
 Qualls, Orben F., Jr., O70923.  
 Quinn, William J., O79436.  
 Radke, Galen W., O77172.  
 Ragains, Robert L., O74818.  
 Ralls, Dan H., O70023.  
 Ralph James R., Jr., O81513.  
 Randall, Starr D., O85074.  
 Ransone, James F., Jr., O70925.  
 Rapkoch, James M., O77638.  
 Ratcliff, Walter A., O79439.  
 Rathburn, Vinton L., O72779.  
 Rathnau, Donald P., O70024.  
 Rawlings, Charles R., O70026.  
 Rayl, Wallace L., O82227.  
 Reddell, Eugene B., O79440.  
 Redic, Maxie O., Jr., O84507.  
 Reding, Charles H., O75275.  
 Reed, Edwin, Jr., O68683.  
 Reed, Leonard F. B., Jr., O70926.  
 Reed, Robert T., O70927.  
 Reese, Mark L., Jr., O70928.  
 Reid, Frederick L., Jr., O71413.  
 Reising, Glenn M., Jr., O81515.  
 Remus, Melvyn D., O70930.  
 Renfro, Richard M., O79931.  
 Resley, Robert D., O70932.  
 Revis, Blaine A., O79443.  
 Rhea, Donald M., O70933.  
 Rhodes, Cephus S., O77178.  
 Rice, Harold E., O73389.  
 Richard, Alan V., O70934.  
 Richards, Charles D., O70935.  
 Richards, Howard C., O77180.  
 Richards, Joseph F., O85366.  
 Ricker, Norman H., Jr., O73390.  
 Ridgway, John J., Jr., O77182.  
 Riede, James R., O69295.  
 Riese, Robert C., O70936.  
 Rife, Byard W., O69298.  
 Riley, Frank J., O70027.  
 Riley, Walter G., Jr., O70227.  
 Rios, Albert J., O84508.  
 Ripple, Larry M., O77652.  
 Ritz, Karl C., O79445.  
 Roberts, Norman L., O79446.  
 Robinson, Hugh G., O70937.  
 Robinson, James B., O70029.  
 Robinson, Robert E., O75279.  
 Roderick, Edward E., O70938.  
 Rodgers, Sterling McG., O69305.  
 Rogers, Clare R., O77184.  
 Rogers, John C., O70939.  
 Rogers, Robert F., O70030.  
 Rogers, Roland B., O74827.  
 Rollinger, Jack R., O69308.  
 Roper, Charles A., O79447.  
 Rorke, Donald M., O71260.  
 Rose, Myron W., O70940.  
 Rose, Ronald J., O75280.  
 Rosen, Leslie M., O69310.  
 Rosing, Willis S., Jr., O79449.  
 Ross, Robert L., O79450.  
 Rouchon, Anthony C., Jr., O82229.  
 Routh, Harry M., O77186.  
 Royals, William C., O70942.  
 Rudser, John L., O69312.  
 Rue, Norman L., O73393.  
 Rufe, Charles P., O79453.  
 Ruhf, Harry F., O70944.  
 Ruiz, Ronald R., O81517.  
 Rumsey, Frank A., Jr., O75281.  
 Ruskauff, Donald R., O85371.  
 Ruth, Charles W., O85799.  
 Ryan, Dennis W., Jr., O75282.  
 Ryan, James P., O70945.  
 Sachs, Arthur, O71864.  
 Salvador, Ronald L., O70948.  
 Samouce, Warren A., O70949.  
 Sampson, Edward E., O79457.  
 Sanders, Bobby L., O77188.  
 Sanders, Drexel E., O71595.  
 Sandia, Robert S., O82232.  
 Schaefer, John R., Jr., O89287.  
 Schaefer, Rolland M., O77670.  
 Schludecker, Otto A., O75288.  
 Schmidt, Theodore H., O69321.  
 Schneider, George J., O77191.  
 Schoen, Frank C., O82234.  
 Schoendorfer, Frank S., O82235.  
 Schoening, George W., O71718.  
 Schweikert, Paul, Jr., O70953.  
 Scibilia, Anthony J., O75290.  
 Scott, Charles G., O71269.  
 Scott, Hugh A., O81521.  
 Scovel, James L., O70954.



Seale, Billy G., O79466.  
 Seaman, Richard T., O79467.  
 Searls, Billie E., O69329.  
 Seay, Jefferson 3d, O71719.  
 Segrest, William D., O77193.  
 Serven, Harold M., Jr., O70035.  
 Sessions, Jerrald M., O77681.  
 Sessler, James R., Jr., O75292.  
 Severance, Fayette L., Jr., O79469.  
 Shafer, John C., O70955.  
 Shallcross, George, O83633.  
 Shaughnessy, Thomas J., O81523.  
 Shaw, Donald P., O70956.  
 Shay, Patrick E., O77195.  
 Shebat, Donald, O70957.  
 Shedden, Eckols L., O70036.  
 Shneider, Augustus L., Jr., O82237.  
 Sherron, Gene T., O74841.  
 Shields, George D., O77197.  
 Sholar, Michael B., O69335.  
 Short, Audrey J. W., O70959.  
 Short, Robert B., Jr., O70960.  
 Shugart, Henry G., O84068.  
 Sikorski, Bennie W., O88309.  
 Simmons, Marvin E., O69338.  
 Simpson, Claude S., O69340.  
 Sims, Roy D., O77200.  
 Skeen, Henry G., O79477.  
 Skibbie, Lawrence F., O70964.  
 Skinker, Harry J., O85259.  
 Slater, Burt E., O77202.  
 Slater, James J., O69342.  
 Slesnick, Bruce W., O85377.  
 Sloan, James H., Jr., O70965.  
 Slocumbe, Donald K., O71871.  
 Smith, Albert J., O77203.  
 Smith, Bill J., O70039.  
 Smith, Donald L., O69350.  
 Smith, Donald L., O73404.  
 Smith, Douglas S., O71725.  
 Smith, George E., O77204.  
 Smith, John A., O74846.  
 Smith, Julian H., O69351.  
 Smith, Marion G., O73405.  
 Smith, Robert W., O81529.  
 Snyder, Clinton W., O77205.  
 Snyder, Quay C., O70967.  
 Sorrels, Charles V., O70122.  
 Spang, Alan W., O79482.  
 Spence, Craig H., O70968.  
 Spence, Thomas H., O79484.  
 Spradlin, Glenn D., O77210.  
 Springman, Robert W., O77699.  
 Spruill, James P., O70969.  
 Spry, Alfred E., O74853.  
 Stallings, Joseph L., O69358.  
 Stamper, James M., Jr., O89294.  
 Stanberry, Billy M., O71876.  
 Stanton, Martin P., O77211.  
 Starkey, James E., O88957.  
 Ste Marie, Normand A., O85674.  
 Steckbauer, Curtis, O81533.  
 Stedman, William R., O81534.  
 Steed, Robert B., O79487.  
 Stein, Henry J., Jr., O69360.  
 Stelmachowicz, Peter J., O79488.  
 Stenehjem, George N., O70974.  
 Stephens, James E., O71727.  
 Stephenson, Lamar V., O77213.  
 Sterling, Allan C., O70975.  
 Sterzik, Wilfred L., O69364.  
 Stevenson, Leroy P., O69366.  
 Stevenson, Thomas A., O74855.  
 Stewart, Dennis W., Jr., O77214.  
 Stewart, Denzil S., O85089.  
 Stewart, John K., O71286.  
 Stewart, Robert R., O70977.  
 Stodter, Charles S., Jr., O70978.  
 Stokinger, Richard H., O79492.  
 Storrs, Charles E., Jr., O70980.  
 Stotser, Don M., O69370.  
 Stout, Glen W., O70981.  
 Stout, Herald F., Jr., O70982.  
 Strand, Vincent W., O73411.  
 Stuart, Douglas B., O70984.  
 Sugg, Richard H., O70987.  
 Sulik, John A., O70988.  
 Sullivan, Harry E. B., O70989.  
 Sullivan, William F., O81539.  
 Sunell, Robert J., O82240.  
 Surber, James W., O70990.

Swaren, John W., Jr., O70991.  
 Swisher, Robert K., O77219.  
 Sylvester, Charles E., O84515.  
 Takahashi, Lawrence N., O69376.  
 Talley, John D., Jr., O70050.  
 Tanner, Lester W., O88968.  
 Tawes, Robert H., O70993.  
 Teberg, David T., O70994.  
 Terry, Richard T., O71288.  
 Thomas, John D., O81544.  
 Thomas, Julius O., Jr., O70996.  
 Thomas, Patrick E., O79502.  
 Thompson, Bill T., O70997.  
 Thompson, Kenneth R., O69385.  
 Thompson, Richard W., O71733.  
 Thoreson, David P., O70998.  
 Thornton, James F., O82370.  
 Thorpe, John C., O77220.  
 Thorpe, Marion E., O79503.  
 Thrall, Dewell O., O84517.  
 Thurman, Maxwell R., O70125.  
 Tinsley, Philip, Jr., O71613.  
 Tippet, Jesse R., Jr., O71000.  
 Tobin, Daniel J., O71001.  
 Todd, Harold C., O79504.  
 Tomsen, Willis C., O71002.  
 Toreson, Lowell E., O71003.  
 Townsley, Richard W., O71004.  
 Travas, John E., O82248.  
 Traxler, Grady M., O71617.  
 Troutman, Gregory L., O77223.  
 Tucker, Charles E., O77224.  
 Tunmire, Dana, O74873.  
 Turner, James McV., Jr., O70240.  
 Tyler, Richard B., O71006.  
 Uhrig, Richard A., O81546.  
 Ulrich, Charles F., O74875.  
 Underhill, Victor S., Jr., O77226.  
 Underwood, Andrew F., O71007.  
 Van Sickle, James P., O77227.  
 Van Valkenburg, Gerald E., O71009.  
 Van Vranken, Robert L., O71291.  
 Vaughn, Luther C., O79508.  
 Vermillion, Lewin E., O79510.  
 Vesser, Dale A., O71010.  
 Vidrick, Robert L., O74878.  
 Vinson, Newell E., O71012.  
 Visscher, Robert E., O77228.  
 Vorba, Richard G., O73419.  
 Vosel, Donald M., O81548.  
 Wagner, Louis C., Jr., O71013.  
 Walker, Samuel P., 3d, O71015.  
 Wall, Frank B., Jr., O74881.  
 Wall, Henry L., Jr., O85383.  
 Wallace, Danny C., O75312.  
 Wallace, William L., O71016.  
 Walters, Howard C., Jr., O84069.  
 Walton, Ben L., O77230.  
 Ward, Floyd J., Jr., O71740.  
 Ware, Fletcher K., Jr., O71018.  
 Warf, Elmer R., O71741.  
 Wash, William B., O81552.  
 Washer, Robert J., O71019.  
 Watkins, James E., O71297.  
 Watkins, William W., Jr., O73422.  
 Watlington, Thomas M., 3d, O71020.  
 Watson, Jack D., O73423.  
 Watson, James M., O69405.  
 Watson, Ronald J., O87964.  
 Watts, William E., O73425.  
 Weaver, William J., O71021.  
 Weall, Robert H., O69408.  
 Weathersby, Russell A., O77231.  
 Weaver, Richard L., O71024.  
 Webb, John F., Jr., O85696.  
 Weeks, Frederick H., O71298.  
 Weeks, Robert E., O71026.  
 Weidenthal, Carlton P., O69412.  
 Weinstein, Kenneth, O77232.  
 Weinstein, Saundra, O79519.  
 Wells, Robert W., O71027.  
 Wells, Roy D., O79520.  
 Welsch, Hanno F., Jr., O77770.  
 West, Kenneth L., O81554.  
 West, Pleasant H., O87663.  
 Westervelt, John R., Jr., O71029.  
 Westphal, Ralph E., O85099.  
 Whalen, John J., Jr., O82376.  
 Whaley, Zachary, O81555.  
 Whitaker, Malvern R., O71299.  
 White, Ulysses K., O79527.  
 White, Walter J., O69420.

Whitehead, Ruby L., 3d., O81556.  
 Whitley, James R., O71031.  
 Whittington, Richard H., O69422.  
 Whittington, Wesley, O69423.  
 Wilcox, Robert L., Jr., O70066.  
 Wilkins, Eugene E., O69425.  
 Wilkins, Julian A., O69426.  
 Wilks, Clarence D., O75318.  
 Williams, Billie G., O81558.  
 Williams, Edmund R., O75320.  
 Williams, Franklin, O69427.  
 Williams, Herbert E., O71032.  
 Williams, Howard M., O70158.  
 Williams, Jacob A., O83830.  
 Williams, James A., O71033.  
 Williams, Lawrence A., O74892.  
 Williams, William H., O78198.  
 Williamson, Richard, O69428.  
 Williamson, Thomas L., O81560.  
 Williamson, William E., O69429.  
 Williford, Henry G., O79534.  
 Willmann, William J., O77237.  
 Willner, Larry E., O71034.  
 Willwerth, Dean R., O82257.  
 Wilson, Dennis F., O69434.  
 Wilson, Dwight L., O70067.  
 Wilson, Francis V., O69435.  
 Wilson, Parks W., Jr., O74894.  
 Wilson, Robert D., O77238.  
 Wilson, Robert E., O71307.  
 Wilson, Walter C., Jr., O77239.  
 Wise, David L., O71629.  
 Wisniewski, John A., O71037.  
 Witt, John R., O77240.  
 Wittered, Peter F., O71038.  
 Wolfe, Oren, O70069.  
 Wong, Alfred M. K., O77241.  
 Wood, Charles D., O71039.  
 Woodbury, Grayson C., O71040.  
 Woodruff, Albert R., O73431.  
 Woodyard, John H., O71041.  
 Wooge, Luvern J., O71042.  
 Woolaver, Philip A., O73432.  
 Worthy, William W., Jr., O79539.  
 Wright, Bruce T., O82258.  
 Wright, Elden H., O81563.  
 Wright, Lewis W., O79541.  
 Wyatt, James E., O71632.  
 Wyatt, Lloyd L., O81565.  
 York, Dor J., O71043.  
 Young, Clyde A., Jr., O70070.  
 Young, George D., O73433.  
 Young, John G., O71044.  
 Young, Robert L., O77243.  
 Young, Roy J., O70129.  
 Young, Thomas C., O71045.  
 Yunker, Sylvester J., O71900.  
 Zapata, Roland T., O79543.  
 Zeleznikar, Louis J., O81567.  
 Ziegler, Richard G., O71046.

#### To be captains, Chaplain

Ambrose, George, Jr., O88552.  
 Anderson, Robert C., O85836.  
 Brooks, Tommy C., O89035.  
 Clark, Albert V., O85989.  
 Cook, Richard G., O88634.  
 Degl, Joseph, Jr., O88651.  
 Ettershank, John P., Jr., O86127.  
 Everett, Paul P., O86129.  
 Forsythe, Walter DeM., O85749.  
 Garner, Calvin H., O88694.  
 Green, John E., O88711.  
 Harding, Richard M., O86222.  
 Harrell, Ralph E., O86226.  
 Hartman, Richard W., O88722.  
 Hayes, Quentin O., O86236.  
 Klentz, John E., O86363.  
 Logan, Fred G., O88421.  
 Logan, John D., O89091.  
 Lyon, Wilson L., O88802.  
 Martin, William A., O88813.  
 McCloy, Charles H., Sr., O88818.  
 Moorfield, Claude E., Jr., O84232.  
 Moss, Ira G., O89113.  
 Nagata, William M., O88856.  
 Nybro, Richard, O88864.  
 Pasco, John C., O84245.  
 Raynls, Edgar A., O84252.  
 Salemm, Robert A., O86714.  
 Stanford, James A., O88956.  
 Swager, Robert G., O88963.

Tate, David F., O88969.  
Tibbetts, Alan C., O88976.  
Wright, Wendell T., O89017.  
Young, Willis F., O89169.

*To be captains, Women's Army Corps*

Austin, Audrey H., L495.  
Collins, Joyce L., L539.  
Dotts, Eloise M., L469.  
Lee, Laurie A., L565.  
Marks, Mary F. G., L497.  
Purcell, Mary M., L498.  
Slawson, Elizabeth F., L476.  
Smith, Ann B., L474.  
Theodoroff, Mary J., L501.  
White, Jocelyn A., L491.  
Williams, Mary R., L515.  
Wolcott, Jeanne M., L503.

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298. All officers are subject to physical examination required by law:

*To be first lieutenants*

Kilpatrick, John C., Jr., O75652.  
Krapf, Albert H., 2d, O75660.  
Olsen, Thomas A., O75739.  
Renkin, Herbert L., O76545.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288:

*To be majors*

Lyle Albert Duffield, O2034816.  
Anthony Richard Mattos, O1316307.

*To be captains*

Thomas Doherty Byrne, O1935751.  
John Durant Chastain, O2002625.  
Jimmie Arnold Chezem, O1897408.  
Fred Vincent Cole, O1937752.  
Robert Edward Cormier, O4014730.  
Warren Crawford Davis, O188627.  
John Michele DeMaria, O2200410.  
Dale Eugene Dobson, O1883583.  
Peter Paul Gerhards, O4007119.  
Gilbert Jay John, O1888992.  
Richard Anacletus Kupau, O4005908.  
Charles William Norton, Jr., O2028514.  
Frank Louis Russo, O1933329.  
William Samuel Schroeder, O2283031.  
Thomas Cousar Stanton, O1973526.  
John Wesley Stillwell, O1929120.  
Edwin Alfred Stovall, O2204057.  
William Francis Vernau, O4005387.  
Bernard DeWayne Wheeler, O2203702.

*To be first lieutenants*

Benjamin John Basil, O4015443.  
David Albert Bear, O4030878.  
Marc Herman Epstein, O228774.  
Mack Lee Gibson, Jr., O4045046.  
James Neil McDougald, O4025576.  
Robert Warren Otto, O5502035.  
John Thomas Patterson, O4047170.  
James Randall Pullin, O4061341.  
Calvin Swartz, O4063016.  
Marcus Lesly Weatherall, O4025839.  
James Alfred Windsor, O4083543.

*To be second lieutenants*

Lawrence Abramson, O5210056.  
William James Anderson, O5202117.  
David Henry Andre, O5203830.  
Edward Michael Bahniuk, O5506370.  
Robert Thomas Basha, O5303525.  
J. D. Benson, O5306492.  
Alfred Herman Beyer, O4064963.  
Damon Lester Brantley, O5303343.  
Thomas Richard Braun, O5006750.  
Robert Porter Brokaw, Jr., O5306538.  
John Marshall Broome, O5208356.  
Charles Henry Cagle, O5403668.  
Ralph Wilson Case, Jr., O5700326.  
James Calvin Caston, O5401684.  
John Edward Ciccarelli, O2290167.  
Theodore Alexander Coulombis, O5405398.  
Norman Matthew Descoteaux, O5002906.

James Joseph Dorsey, O5508714.  
Arthur Randolph Erickson, O5305777.  
John Francis Fallon, Jr., O5000924.  
George Russell Goetzke, O5400740.  
Carl Theodor Goldenberg, III, O5403129.  
Duane Irvin Graham, O5510221.  
Ray Alexander Gravett, O5204788.  
Frank Dale Green, Jr., O5409033.  
Angelo Guttadauro, O5704698.  
Paul Gordon Heald, O5702970.  
Calvin Still Hembree, O5411095.  
James David Holden, O4053049.  
Tommy Gene Hollis, O5305906.  
Raymond Henry Holst, O5002629.  
James Royce Hopkins, O5403445.  
William Arthur Keefe, IV, O5205802.  
Stephen Aloysius Krupa, Jr., O5206514.  
Eugene Bowman Leedy, RA15605277.  
Barry Lee Manley, O5005213.  
Charles Harvey McKinnis, O5510394.  
Robert Daniel O'Bryan, O5405415.  
Benjamin Louis Parsley, O5308131.  
Don Phillips, O5702502.  
Bruce Wayne Pound, O5304374.  
Wilson Reitz, Jr., O5204207.  
Joseph Samuel Reneau, O5402582.  
Celeste Thomas Richardson, O5506269.  
William Howard Roche, Jr., O5303825.  
Frederick Thomas Rogers, O5205373.  
Jean Andre Sauvageot, O5304511.  
Lawrence Anthony Singer, O5205315.  
Tom Collins Spears, O5402225.  
Benjamin Lee Swinson, O5304387.  
Richard Allen Thompson, O5701021.  
William Joseph Weber, O5205130.  
Paul Raymond Wineman, Jr., O5702814.  
Richard Elliott Works, O5203138.  
Dean Wesley Wright, O5507720.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, 3288, 3291, 3292, and 3294:

*To be majors, Medical Corps*

James Roger Glessner, Jr.  
William Masatoshi Sugiyama, O4050930.

*To be captains, Army Nurse Corps*

Anne Story Deming, N805536.  
Lorene Faye Loftin, N901469.  
Helen Mary McBride, N761873.  
Sally Madge Stallard, N805401.

*To be captains, Chaplains*

David Lee Funk, O1892230.  
Charles Frederick Kriete, O2283728.  
Ralph Kurt Willers, O4039831.

*To be captains, Dental Corps*

James Patrick Baldwin, O5301083.  
Carmin Anthony Caponigro, O4015046.  
Lee Getter, O5003589.  
Robert Wayne Kamphuis, O5500435.  
Samuel McMillin Locke, Jr., O5202563.  
John Walter Love, O5500468.  
Roger Vincent Majerus, O5500878.  
Elbert Allen Warren, O2275911.

*To be captains, Medical Corps*

Robert Cromwell Bastian, Jr., O2284561.  
James Joseph Bingham, O4068042.  
Hollis Eugene Bivens, O996855.  
Paul Edward Brenk, O2284773.  
John Buist Chester, Jr., O2288923.  
Walter Thomas Coon, O2284423.  
Donald William Cox, O2286653.  
Richard Donald Cunningham, O2284775.  
Dermot Joseph Demis, O2288920.  
William Dwight Deupree, O1929620.  
Olin Carl Dobbis, Jr., O5306721.  
William Frank Dossman, O2283965.  
Forrest Dorsey Garretson, Jr., O4000788.  
Robert Francis Haden, O4001639.  
Benjamin Lee Harper, O4073512.  
James Edward Hertzog, O5304511.  
LeRoy Roman Hiegar, O2285401.  
James Francis Hora, O2283738.  
Egon Victor Johnson, O2284914.  
William Fremont Kinn, O2283892.

John Stephen Kolina, O2283969.  
James Davies Krueger, O2284806.  
Sonley Robert LeMay, Jr., O2285237.  
Robert James Marsh, O5204162.  
Rafael Enrique Mendoza, O5703073.  
Donald Edward Mitchell, O2288927.  
Everett Cole Mosley, O2284050.  
Franklin Craig Moten, O1942298.  
Joseph Louis Murad, O5301339.  
Robert Calvin Newell, O2102775.  
William Patton Phillips, O1942229.  
Charles Thomas Riley, Jr., O2288928.  
Erich Daniel Ryll, O2284551.  
Edgar Benton Smith, O2284643.  
Martin Adelbert Spellman, O5703007.  
Charles Douglas Spencer, O5204132.  
Fred Wesley Thomas, O2284245.  
Harlan Theodore Thoreson, O5701438.  
Russel Walter Van Norman, O1942191.  
Waldo Raymond Varberg, O2285027.  
Clarence McCurdy Virtue, Jr., O2282663.  
Charles Robert Webb, Jr., O2283697.  
Paul Hyman Wengrovitz, O5003859.  
Alton Enoch Wiebe, O5701441.  
Karl Adams Zener, O2288917.

*To be captain, Medical Service Corps*

Marion Philip Johnson, O1888346.

*To be first lieutenant, Army Nurse Corps*

Dorothy Ann Simon, N805727.

*To be first lieutenants, Dental Corps*

Leon Dale Fiedler, O2295612.  
Thomas Eugene Miller, O2297812.

*To be first lieutenants, Judge Advocate General's Corps*

Leonard George Crowley, O2296967.  
Lawrence Lippe, O4065181.

*To be first lieutenants, Medical Corps*

Allin, John Otteson, O5202510.  
Bogumill, George Pierce, O5500320.  
Campbell, John Blake, O2298006.  
Casale, Louis Anthony, O2295476.  
Cirksena, William John, O2295407.  
Colliton, Patrick Allen, O2297901.  
Cressman, Marvin Richard, O5203294.  
Daughtridge, Clay Cuthrell, Jr., O2297912.  
DeVecchio, Pasquale Anthony.  
Dillon, Donald Edward, O2295784.  
Egan, James Francis.  
Ewell, Robert Healy, O2297982.  
Fahs, Gerald Richard, O2295466.  
Fishback, Malcolm Edward, O2297958.  
Glass, Sheldon David.  
Haas, John Michael, O2297947.  
Haddad, Jean Gabriel Khouri, O4019935.  
Hamre, Peter Jay, O2291892.  
Heydorn, William Howard.  
Holloman, Kenneth Raymond, O4035511.  
Isom, Lawrence Edward, O2295245.  
Jewett, Darrell Charles, O2297865.  
Lamazor, Eugene Arnold, O2297949.  
Ledford, Frank Finley, Jr., O2295759.  
Mani, Richard Louis, O2297967.  
Mazze, Richard Irwin, O5003372.  
Nielsen, Peter LaMont, O2297918.  
Park, Richard, O2295385.  
Pinski, James Bernard, O2297969.  
Raymond, James Robert, O2297964.  
Rogers, Lee Frank, O2297976.  
Rossing, William Osmund, O2297948.  
Schamadan, James Louis, O2295356.  
Schencker, Bernard, O2297963.  
Skowronski, John Robert.  
Stagnone, James Joseph, O2297993.  
Stuckey, Marvin Earl, O5407674.  
Wachtel, Herbert Leonard, O2295632.  
Williams, Melvin Clayton, O5203756.

*To be first lieutenants, Medical Service Corps*

Phillips, Finos James, O2269132.  
Yim, Herbert Kamakapaupua, O4058420.

*To be first lieutenants, Veterinary Corps*

Boucher, John Holly, O2298257.  
Spertzel, Richard Oscar, O2298183.  
Thomas, Paul Oliver, O2295316.

*To be second lieutenant, Army Nurse Corps*

Rairden, Carol Anne, N5407148.



*To be second lieutenants, Medical Service Corps*

Carper, Robert Ray, O1922615.  
Fountain, Donald Bruce, O4084464.  
Oswald, Gilbert Harvey, O5701019.  
Piercy, John Philip, O2269735.  
Webb, Byron Douglas, Jr., O5505327.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade and corps specified, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288:

*To be second lieutenants, Medical Service Corps*

Arthur Robert Fournier  
Edward Stanley Krakowski  
Richard Edward Meiers  
George Keck Powell  
Jerome Charles Reich  
Kenneth Robert Welch

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288:

Dennis Wayne Adams  
Ronald Lowell Abner  
Alvin James Albright  
Troy Gerard Arnold, Jr.  
Leon Robert Arnoldi  
William Farrar Balfanz  
Roger Lee Bartelt  
John Kent Bosking  
John Theodore Bowden, Jr.  
Kenneth Alvin Brewer  
Robert William Browning  
Terence Dunford Buck  
Lynn Irvin Caraway  
Donald Edwin Carlile  
Samuel Anthony Carollo, Jr.  
Richard Joseph Celichowski  
Daniel Robert Clark  
Gary Leon Comfort  
Clyde Lee Cook, Jr.  
Douglas Ray Cresswell  
Gerald Franklin Croll  
Hector Cruz  
Dean Eckwall Danielson  
Edwin Bernard Dean  
Harold Frederick DeBolt  
Milton Hewen Diehl  
Louis Dean Easterday  
Cecil Wilmont Elder  
Larry Lester Fairman  
John Joseph Fanning III  
Nicholas James Fergadis  
Clinton Andrew Fields  
Robert Slade Fiero  
Courtney Ronald Fritts  
James Edward Fritz  
Walter John Gabrysiak  
Robert Webb Gannett  
Jose Garcia  
Miguel Angel Garcia  
John Lawrence Geisinger  
Taft Rosco Gilliam  
Richard Joseph Girouard  
William Anthony Gissler  
James Morgan Goodrich  
Eldon Henry Graham  
Joe Hiram Griggs  
James Frederick Hayes  
Lloyd Jean Hays  
Larry Charles Heaton  
Anthony Louis Hittner  
Gerhardt Will Hodel  
Richard Lee Hooversen  
Jerry Alonza Hubbard  
John David Hutcheson  
Darrel Duane Jacobs  
Edward Mark Jansen  
James Buford Johnson  
Thomas Willems Johnson  
John Joseph Kane  
John Richard Kane  
Claude Hideaki Kanemori  
Jack Ralph Keene

Thomas John Kiernan  
Lloyd Wayne Kleinstiver  
Gene Raymond Kobza  
Thomas Owen Kuypers  
Roger Joseph Labat  
William Gregory Lacey  
William Andrew Lang  
Joseph Stanley LeGath  
Martin Richard Lewis, Jr.  
Andres Lopez  
John Patrick Mackin, Jr.  
Alan Doyle Mayberry  
Walter Patrick McCann  
Philip Remington McDonald  
Irby Neill McInnis, Jr.  
James Alvin Minyard  
Charles Howard Morgan  
Michael John Morin  
Donald Stephen Mostek  
Robert Stephen Nawalaniec  
John William Nichols  
Richard Joseph Ozga  
Joseph Wesley Parent  
Thomas Carl Rankin, Jr.  
Dennis Allen Repp  
Charles Monte Richard  
Avrom A. Rosen.  
Duvall Thomas Royster, Jr.  
Thomas Frederick Ryan  
David Clifford Saalfrank  
Donald Ivan Seathoff  
John Preston Sanders  
Allen Dale Schlegelmilch  
Leland Roy Schroeder  
Stephen Joseph Snyder  
Ralph Louis Sorensen  
Robert LaVerne Spangler  
Charles Anthony Stulga  
David John Sutton  
Thomas George Swaney  
James Albert Titmas  
Grade Frank Tittle, Jr.  
Roy Glenn Vawter  
Randolph William Von Till, Jr.  
Clifford Coale Walker  
William Francis Ward  
Robert Emmett Welmer  
Robert Stephen Wilhelm  
Lonnie Buford Williams, Jr.  
John Harvey Wilson  
James Willard Wolff  
Lawrence Edward Wollmering  
Michael Joseph Wunder

The following-named cadets, graduating class of 1960, U.S. Military Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 3285, 3286, 3287, and 3288, subject to physical examination required by law:

Wilsie Horton Adams, Jr.  
John Howard Alban, Jr.  
Donald Kenneth Allen  
Lee Allen  
Robert Harold Ammerman, Jr.  
Robert Paul Anderson  
Raymond Sherwood Andrews, Jr.  
Joseph Valentine Arnold  
Hughes Lanier Ash, Jr.  
William Nathan Bailey, Jr.  
Anthony David Baker  
Charles Roy Baker  
Edward Russell Baldwin, Jr.  
Thaddeus Joseph Bara, Jr.  
George Peter Bare  
Ercole Michael Barone  
Allyn Jay Barr  
Donald Harvey Barrell  
Raymond Reed Barrows, Jr.  
David Woodfin Bauer  
Leslie Edward Beavers  
Charles Gene Belan  
Edward Allen Bellis, 3d  
Ronald Alan Beltz  
Thomas Reed Bennett  
Joel Elias Bernstein  
John Anderson Berry III  
John Randolph Bertl  
Ferdinand Clarence Bidgood  
Robert Nelson Bierly, Jr.

Judson Long Bireley  
Anthony Harris Blackstone  
Phillip Lyle Blake  
John Richard Blanton, Jr.  
William Thomas Blitch  
Arthur Le Roy Bloch  
Joseph John Bobula  
Frank Joseph Bochnowski  
James Arthur Booker, Jr.  
Richard Klemm Boyd, Jr.  
Edward James Brady  
Ambrose William Brennan  
Peter Brindley  
Eugene Munson Brisach  
Jay Scott Brown  
Harold Andrew Brownfield, Jr.  
Thomas Lee Bullock  
Bertram Arnold Bunting  
John Richard Burden  
Robert William Burnell  
Robert Edward Burns  
David Francis Byrnes  
Joseph Grady Caldwell  
Ora Oscar Caldwell  
Francis Joseph Calverase  
Harry Charles Calvin  
Dan Harold Campbell  
Richard Joseph Campbell  
Raymond Gordon Canant  
Joe Middleton Cannon  
Julian Thomas Caraballo  
Arthur Thomas Carey  
Clayton Henry Carmean, Jr.  
Richard Allan Carnaghi  
William Stanley Carpenter, Jr.  
Hector Andres Carron  
Kevin Reilly Carter  
Martin William Cary, Jr.  
John Lloyd Casey  
Robert Jones Castleman, Jr.  
Richard Webb Cato  
Paul George Cerjan  
Brion Victor Chabot  
William Frederick Chamberlain, Jr.  
Alan Douglas Champ  
Clark Porter Chandler 2d  
Don Clark Chapman  
Gerald Chapman, Jr.  
Phillip Edward Chappell  
William Clark Chase, Jr.  
Vincent Robert Chitren  
Robert Francis Clancy  
Claude Leaman Clark  
Wayne Clay  
Gregory Charles Clement, Jr.  
Lawrence Raymond Coffey, Jr.  
Charles Driscoll Collins 3d  
John Guy Coombs  
Milton Eustis Cooper, Jr.  
Alonzo Coose, Jr.  
Joseph Robert Cote  
Stillman Doane Covell, Jr.  
Richard Lafayette Cox, Jr.  
William Edwin Creighton  
Frank Nevin Cremer  
Philip Miles Croel  
George Trent Crosby  
Edward Miller Crowley  
Edward Waldren Crum  
John Clayton Crump  
Ross Herman Cullins  
William Warren Danforth  
Richard Arthur Daniel  
Theodore Stephens Daniels  
Dean Harvey Darling  
Merlin Duane Darling  
Richard Samuel Daum  
Robert Batson Davidson, Jr.  
Joal LeRoy Davis  
William Fred Dawdy  
John David DelPonti  
John Charles DePew  
John Lesesne DeWitt 3d  
Edwin Augustus Deagle, Jr.  
Arthur Joe Dean, Jr.  
Charles Casimer Decko, Jr.  
John Roe Denton, Jr.  
Ronald Frederick Desgroselliers  
Denis Crowley Dice  
Jack Woodward Dice  
Daniel James Donahue

Thomas Joseph Donahue  
Ira Dorsey  
James Anthony Douglass  
John Thomas Downey  
Edmond Howard Drake  
Harold Newton Dreifelbis, Jr.  
Henry Frederick Drewfs, Jr.  
William Orville Drollinger  
Wallace Hampton Duncan  
Albert John Dunlap  
Lyman Chandler Duryea, Jr.  
Charles Maurice Dwyre  
Robert Douw Eckert  
Michael Ralph Eckmann  
Rand Ederstein  
Jack Evans Elder  
Clarence Earl Endy, Jr.  
Gerald George Epley, Jr.  
Robert Francisco Estes, Jr.  
Earl Wheelbert Eubanks  
Herman Thomas Eubanks, Jr.  
Benjamin Franklin Evans 3d  
Otto George Everbach  
Thomas Franklin Eynon 3d  
Henry Frederick Faery, Jr.  
James Berkley Fairchild  
Robert Scobie Fairweather, Jr.  
John Peter Fanning  
Francis William Farrell, Jr.  
William Peter Fay  
Charles Benjamin Fegan  
Joseph George Felber, Jr.  
Roland Dwight Fenton  
Michael Lambert Ferguson  
James Paul Fero  
Michael Finlay Field  
George Alexander Finley, Jr.  
Frank Delaney Finn  
Eugene Patrick Flannery  
Walker Hancock Flint  
William Eugene Florence  
Jere King Forbus  
Joseph Edgar Fortier 3d  
Nathaniel Sill Fox  
Robert Foye, Jr.  
Bartley William Furey  
John Charles Fyfe  
Ross Andrew Gagliano  
Charles Leonard Gallo  
George Keith Garner  
Edward Reeves Garton, Jr.  
James George Garvey  
Richard Holt Gates  
John Franklin Geiger  
Abraham Lincoln German, Jr.  
John Hale Getgood  
George Nunzio Giacompe  
John Stephen Gibbs  
Arthur Martin Glese  
Chris George Giglios  
Terrance Mathew Gill  
Richard Hyde Gillespie  
Wayne Gordon Gillespie  
Michael William Gilmartin  
James Stewart Godwin  
Walter Rexford Good  
Vincent Gregory Grande, Jr.  
Richard McDonald Greene  
Fletcher Hughes Griffiths, Jr.  
Eugene Donald Griffith, Jr.  
Fenton Harris Griffith  
John Francis Guila  
Robert Thomas Gerald Hackett  
Craig Allan Hagan  
Frederick Benjamin Hall 3d  
Fred Nicholas Halley  
Ronald Wayne Halsall  
Edward John Handler 3d  
William Geron Hanne  
Elmer Raymond Hapeman  
Howard Theodore Harcke, Jr.  
William Jan Hardenburg  
William Ray Harnagel  
Walter Dinsmore Hastings, Jr.  
Michael Joseph Hatcher  
Thomas James Haycraft  
Richard Wyman Healy, Jr.  
George Michael Heckman  
Richard William Helbock  
Dean A. Herman, Jr.  
Richard James Hervert

John Powell Hesford  
Stanford Wayne Hickman  
Manuel Angel Hidalgo, Jr.  
Kenneth Ray Hill  
John Arthur Hixson  
John Gunnar Hoas  
David Loyal Hodge  
John David Hogarth  
Patrick Joseph Holland  
Richard Joseph Holleman  
James Allison Hopper  
William Joseph Hourihan, Jr.  
John Clinton House  
Darrell Gwynn Houston  
Eugene Adair Howell  
John Bolling Hubard  
Donald Albert Hubbard  
Johnny Ray Hubbard  
Thomas Henry Huber  
Jack Phelan Hug  
Jack Thomas Humes  
James Ellegood Humphreys, Jr.  
Joseph William Hutchison  
John William Hynd  
Richard Alan Jaeckel  
James Herbert Jansen  
Joseph Alexander Jascewsky, Jr.  
Michael Andrew Jezior  
Grafton Jhung  
Gerald Ramsey Jilbert  
Alan Edward Johnson  
Fredrick Arthur Johnson  
James Houston Johnson  
Robert Campbell Johnson  
Robert Norman Johnson  
William LeRoy Johnson  
Homer William Jones, Jr.  
Arthur Edward Judson  
George Frederick Kaiser  
James Richard Kane  
John Patrick Kane  
John Kelly Keane, Jr.  
Albert Clark Keating  
Samuel Philbrick Kelley, Jr.  
Kenneth Lloyd King  
Lyell Francis King  
Kenneth Reese Kirchner  
Robert Ernest Klein  
Larry Victor Kiling  
James William Klosek  
Thomas Alfred Koentop  
Thomas Ellis Kopp  
Darryle Leslie Kouns  
Darryl Snyder Krape  
Norman Julius Kuklinski  
Harold Lee Ladehoff  
Peter Frederick Lagasse  
Michael Stuart Lane  
Leslie Gene Langseth  
Edward John Laurance  
John Allan Le Febvre  
Henry Lee  
Robert Leland Leech  
Glenn Harris Lehrer  
John Michael Lenti  
Irving Abram Lerch  
Victor Theodore Letonoff  
Jerome Xavier Lewis, 2d  
James Buchanan Lincoln  
Gordon Stuart Livingston  
Ned Natale Loscuito, Jr.  
Mark Perrin Lowrey  
Mark Lowry II  
Joseph Carter Lucas  
Kenneth Richard Ludovici  
Harold Herzl Lusky  
Charles Gordon Lutton  
Frederick James Lynn  
David J. Mac Aulay  
Peter Maclachlan  
Thomas Pearson Maginnis  
William Henry Maloney  
Charles R. Mandelbaum  
Paul William Mandry  
Robert Donald Marcinkowski  
Spencer Dee Marcy  
Herman Samuel Marmon  
Williams Swift Martin, Jr.  
John Roger Martz  
Leslie Paul Mason, Jr.  
James Kenneth McCollum

George Joseph McElroy  
William Neal McFaul, 3d  
Philip Vincent McGance  
Richard Nash McInerney  
John Joseph McKinney  
Eugene Joseph McLaughlin  
George Hornsby McManus  
William Tripp McNamara  
George Patrick McQuillen  
Jennings Herbert Mease  
William Alexander Meder  
Robert John Menzner  
Robert Kimball Mercado  
Michael Denis Mierau  
Paul Lindsay Miles, Jr.  
Carl Dennis Miller  
Dyson Ramsey Conklin Miller  
John Zollinger Miller, Jr.  
Robert Howard Mills  
Robert Samuel Miser, Jr.  
John Paul Misura  
Robert Everard Montgomery, Jr.  
Michael Joseph Mooney  
Reynold Morin  
Robert Gordon Morrison  
Hartman Baxter Mowery, Jr.  
William Francis Murphy  
Robert Miller Myers  
William Nicholas Myers, Jr.  
Joseph Edward Naftzinger  
Charles Richard Neely  
Charles Richard Nelson  
Bruce Stanley Nevins  
John Ulay Nix  
Charles Stedmen Nobles  
Thomas Elbert Noel III  
James Timothy O'Connell, Jr.  
Roy John O'Connor, Jr.  
Joseph Daniels O'Keefe  
Daniel Louis O'Leary  
Thomas Kelly O'Malley  
James Bryan Oerding  
Danford Milton Orr  
Robert Eugene Oswald  
Charles Paddock Ostott  
Bobby Lee Owens  
Elliot Vail Parker, Jr.  
Frank Almond Partlow, Jr.  
James Hildred Pearl, 2d  
Jack Anthony Pellicci  
Randall Ambrose Perkins, Jr.  
Henry Allen Phillips  
Larry William Pitts  
Robert Charles Platt, Jr.  
Frederick Boyd Plummer, Jr.  
Michael Thomas Plummer  
Elwyn Donald Post, Jr.  
James Allan Powers  
Michael Otto Preletz  
Donald William Prosser  
Richard Kevin Queeney  
James Rose Ramos  
William Montgomery Raymond  
John Lawrence Reber  
Eugene Price Reese, Jr.  
John Calvin Reid  
Ernest Authur Remus  
Frederick Colton Rice  
Terrence LaVerne Rich  
Alfred Kenneth Richeson  
William Ludlow Ritchie 2d  
Gerard Joseph Rivell  
Chandler Prather Robbins III  
Paul Anthony Roberts  
Tom Adams Robinson  
William Ward Robocker  
Melvin Wilbur Rollins, Jr.  
James Nicholas Rowe  
Robert Sidney Rudesill  
William Peter Ruedel  
Max Elden Rumbaugh, Jr.  
James Delano Ruppert  
William Andrew Rux 2d  
Michael Thomas Ryan  
Roger McKelvey Ryan  
Larry Wilson Sapper  
William Ward Sartoris  
Paul Joseph Savio  
Grant Arthur Schaefer  
Thomas Francis Schatzman, Jr.  
Robert John Schlemann



Leroy Allen Schmidt  
 Charles Thomas Schmitt  
 John Jarrett Schneider  
 Richard Tilford Schofield, Jr.  
 Charles Rupert Schrankel  
 Frederick Udo Schroeder  
 James Frederick Schwoob  
 Stephen Harlan Scott  
 William Irvine Scudder  
 Jonathan Walter Searles  
 Richard Stout Seaward  
 John Bradley Seely  
 William Thaddeus Sexton, Jr.  
 Roger Graham Seymour  
 John Frederick Shelby  
 John Pearson Sherden 3d  
 Daniel Wayne Shimel  
 Alan Thomas Shost  
 Richard Phillip Shuey  
 William Joe Skinner  
 Daniel Arthur Smith  
 Harold Barroner Smith  
 Berton Everett Spivy III  
 Joseph William Squire  
 George Robert Stanley, Jr.  
 James Dane Starling  
 John Scott Steele  
 Joseph Michael Stehling, Jr.  
 David Howard Stem  
 Joseph Warren Stillwell 3d  
 Donald Frederick Straetz  
 Edward Strasbourger  
 Charles Ellis Sturgeon  
 Joel Edward Sugdins  
 Don Allen Summers  
 Adolph Sutton, Jr.  
 Richard Otto Sutton, Jr.  
 Paul Charles Swain  
 Paul Stevens Symonds  
 William Frederick Tamplin, Jr.  
 John Norman Taylor  
 Thomas Happer Taylor  
 Frederick Garside Terry  
 Francis James Thompson  
 Olin Roscoe Thompson, Jr.  
 Thomas Bullene Throckmorton  
 James Robert Tichenor, 3d  
 Charles Martin Titus  
 Robert Gerald Totten  
 Walter Cornelius Tousey  
 William Smith Tozer  
 Ronald Frank Trauer  
 Frederick Richard Trickett  
 Philip Anthony Tripiclan  
 Robert Hagerman Tripp  
 Robert Anthony Trodella  
 Thomas Evangelista Valente, Jr.  
 Charles Martin Vaillant  
 Thomas Peter Van Riper  
 William Thomas Veal, Jr.  
 William Austin Vencill  
 Milledge Euel Wade, Jr.  
 Edward John Walczak  
 Stephen Preston Waldrop  
 Philip Augustus Walker, Jr.  
 Richard Emil Walter  
 Russell Ashton Waters  
 Charlie Clarke Watkins  
 Henry Charles Watson, 3d  
 John Eugene Weiler, Jr.  
 David Brian Wentworth  
 Harry Noel White  
 James McRae White  
 Floyd Donald Whitehead  
 Thomas Nelsen Whitmore  
 Joseph Patrick Wiley  
 Noble James Wiley III  
 John Solomon Wilkes III  
 David Gordon Wilkie  
 John Henry Willauer  
 Larry Morgan Williams  
 William Howard Willoughby, Jr.  
 Richard Tyler Willson, Jr.  
 Daniel Hunter Wilson  
 Gene Raymond Wilson  
 Walter King Wilson III  
 Humphrey Francis Windsor  
 Gerald Francis Winters  
 Jerry Wayne Witherspoon  
 Anthony Benson Wood

Charles Herbert Wood, Jr.  
 John Weller Wood, Jr.  
 George Edmund Wrockloff III  
 William Emer Yeager  
 John Paul Yeagley  
 James Joseph York

The following-named midshipmen, graduating class of 1960, U.S. Naval Academy, for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 541, 3285, 3286, 3287, and 3288, subject to physical examination required by law:

Isaac Francis Bonifay, Jr.  
 Arnold Richard DuPont  
 John Walden Durham  
 Jack Hamilton Ferguson  
 John Joseph Garrity, Jr.  
 Forrest Virgil Graves  
 James Clarence Householder  
 John Theodore Kazenski  
 David Livingston Lowry  
 John Anthony Martin  
 Douglas Sherman Morgan  
 Henry William Papa  
 Neal Gordon Parker  
 Robert Graham Patterson  
 John Robert Presley  
 Michael Louis Sheppeck, Jr.  
 James Joseph Ten Brook

#### POSTMASTERS

The following-named persons to be postmasters:

#### ARKANSAS

Everett L. Hall, Hazen, Ark., in place of L. A. Tyson, resigned.

#### CALIFORNIA

Fridolph E. Nelson, Keyes, Calif., in place of L. M. Hinson, retired.  
 Noriyuki Tashima, Livingston, Calif., in place of John Healy, deceased.  
 Dorothy E. Finn, Sausalito, Calif., in place of T. M. Bradley, retired.  
 Harold D. Dean, West Covina, Calif. Office established September 6, 1958.

#### COLORADO

Wesley H. Amrine, Cortez, Colo., in place of W. W. Winegar, resigned.  
 Leslie M. Cogswell, Pierce, Colo., in place of E. F. Hult, retired.  
 Ertis D. Shelton, Pritchett, Colo., in place of J. W. Stuart, retired.

#### FLORIDA

Edythe C. Smith, Canal Point, Fla., in place of Osceola Upthegrove, resigned.  
 James E. Combs, Glen Saint Mary, Fla., in place of J. E. Franklin, retired.

#### GEORGIA

Charles R. Sprayberry, Trion, Ga., in place of C. S. Bell, deceased.

#### IDAHOO

Clarence Larson, Hayden Lake, Idaho, in place of M. D. Becker, retired.  
 George L. Crapo, Idaho Falls, Idaho, in place of Parley Rigby, retired.

#### ILLINOIS

Violet L. Pittman, Camp Point, Ill., in place of W. H. Bruns, retired.  
 Raymond F. Cromwell, Kenney, Ill., in place of Enid Trowbridge, retired.  
 Tom H. Mason, Marietta, Ill., in place of J. A. McCance, retired.  
 Elmer A. Lawson, Jr., Rome, Ill., in place of E. A. Lawson, retired.

#### INDIANA

Lester S. Weir, Lagrange, Ind., in place of H. G. Groat, retired.  
 Herbert A. Hedges, Universal, Ind., in place of M. E. Lewis, retired.

#### IOWA

Lloyd R. Peterson, Casey, Iowa, in place of P. G. Thompson, retired.

Theodore W. Swensen, Decorah, Iowa, in place of O. A. Jaeger, retired.  
 Ralph B. Speers, Eldora, Iowa, in place of J. R. Bahne, retired.  
 Daniel H. Maxwell, Spencer, Iowa, in place of C. A. Tripp, retired.

#### KANSAS

Margaret L. Hejtmank, Delia, Kans., in place of M. A. Lane, retired.  
 Jack Morrison, Jr., Great Bend, Kans., in place of J. L. Brown, retired.

#### KENTUCKY

Ben H. Dyer, Albany, Ky., in place of W. H. Vitatoe, retired.  
 Kermit L. Tussey, Cynthiana, Ky., in place of J. M. Magee, retired.  
 Georgia H. Wilkerson, Dixon, Ky., in place of M. W. Blackwell, retired.  
 Ira J. Westerman, Muldraugh, Ky., in place of M. B. Withers, retired.  
 James G. Diamuke, Salvisa, Ky., in place of N. M. Ramsdell, retired.  
 Mary F. Hill, Stone, Ky., in place of J. S. May, retired.  
 Arnold D. Sprague, Jr., Sturgis, Ky., in place of L. D. Rose, retired.  
 Francis E. Ryan, Verona, Ky., in place of Mayo Hayden, resigned.

#### LOUISIANA

John A. Schuchs, St. Joseph, La., in place of B. K. Schuchs, retired.  
 Herthel S. Devall, Springfield, La., in place of G. A. Rownd, retired.

#### MASSACHUSETTS

Vivian I. Tancrell, North Uxbridge, Mass., in place of W. J. Tancrell, retired.  
 Arthur F. King, Sharon, Mass., in place of J. J. Hayes, resigned.  
 Paul P. Skorput, West Stockbridge, Mass., in place of J. J. Troy, deceased.

#### MICHIGAN

Roger A. Camfield, Gobles, Mich., in place of L. A. Wauchek, resigned.  
 Vernon L. Erskine, Moran, Mich., in place of I. J. Gille, retired.  
 Charles H. Hill, Ontonagon, Mich., in place of J. L. Dobbek, retired.  
 William R. Froelich, Rogers City, Mich., in place of I. D. Larke, resigned.

#### MINNESOTA

Laverne W. Martin, Gibbon, Minn., in place of H. G. Carlson, deceased.  
 Robert F. Entzion, Knife River, Minn., in place of Grace Congdon, deceased.  
 Orville H. Eidem, Spring Park, Minn., in place of Marguerite Linqush, retired.

#### MISSOURI

Robert H. Hunter, East Prairie, Mo., in place of W. W. Bledsoe, retired.

#### NEW HAMPSHIRE

Russell N. Holm, Derry, N.H., in place of C. D. Floyd, deceased.

#### NEW YORK

John D. Wolcott, Alexander, N.Y., in place of E. R. Harrington, retired.  
 Millard H. Bury, Callicoon Center, N.Y., in place of S. W. Schuster, Jr., deceased.  
 Nellie P. Johnson, Chester, N.Y., in place of Helen Bennett, retired.  
 James R. Fuller, Fleischmanns, N.Y., in place of J. F. Kelly, retired.  
 Carl J. Barry, Kent, N.Y., in place of R. K. Fishbaugh, deceased.  
 Francis P. Secor, Otego, N.Y., in place of R. A. Southard, declined.  
 Dominic V. Panichi, Wynantskill, N.Y., in place of I. R. Puffer, deceased.

#### NORTH CAROLINA

James D. Cobb, Lumber Bridge, N.C., in place of D. G. Clifton, declined.

#### NORTH DAKOTA

Raymond F. Pfeifer, Buffalo, N. Dak., in place of J. U. Pavlik, deceased.

Leland L. Ribb, Donnybrook, N. Dak., in place of C. C. King, transferred.

## OHIO

Arthur F. Rizzi, Lansing, Ohio, in place of L. A. Franco, resigned.

Ruth C. Menker, Maria Stein, Ohio, in place of U. B. Menker, deceased.

## OKLAHOMA

Lilly J. Westfall, Carney, Okla., in place of J. O. Deer, deceased.

Charles F. Rhoton, Jr., Keyes, Okla., in place of O. L. Badgley, retired.

## PENNSYLVANIA

Edward L. Thomas, Drifton, Pa., in place of N. E. Breslin, retired.

Paul R. Moore, Enon Valley, Pa., in place of P. N. Lindner, resigned.

Henry L. Haines, Maytown, Pa., in place of M. E. Culp, retired.

Preston L. Allison, Shrewsbury, Pa., in place of Marea Stover, retired.

Stewart C. McCullough, Wattsburg, Pa., in place of H. E. Burnham, retired.

## SOUTH DAKOTA

William G. Stivers, Dimock, S. Dak., in place of C. A. Johnson, retired.

Eldon E. Case, Pine Ridge, S. Dak., in place of H. J. Hagel, transferred.

## TENNESSEE

M. Greer Raulston, Monteagle, Tenn., in place of C. P. Fults, retired.

Thurman L. Jackson, St. Joseph, Tenn., in place of G. M. Bryan, retired.

## TEXAS

Wilmoth A. Ingalls, Winnie, Tex., in place of Ethel Gill, retired.

## UTAH

Max G. Johnson, Midway, Utah, in place of N. A. Burgener, retired.

## VERMONT

Alton A. Ellis, West Pawlet, Vt., in place of P. E. Kehoe, retired.

## VIRGINIA

William E. Humphreys, Clarksville, Va., in place of A. B. Crowder, retired.

William B. Anderson, Onley, Va., in place of W. O. Brittingham, resigned.

George A. Carpenter, Woodberry Forest, Va., in place of W. E. Ewers, deceased.

## WASHINGTON

Genevieve F. Tapscott, Longmire, Wash., in place of H. C. Colvin, resigned.

## WISCONSIN

George W. Smith, Franksville, Wis., in place of W. J. Perlberg, resigned.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 27, 1960

The House met at 12 o'clock noon.

Rev. Halley Brooks Oliver, First Congregational Church, Owosso, Mich., offered the following prayer:

Our gracious Heavenly Father, we pause before Thee to seek the blessing of Thy guidance for the work of this day.

May, O Lord, those prayers made by Thy churches and people, for this Nation and these Thy servants, prepare hearts and minds for the working of Thy holy spirit.

We so often pray for Thy wisdom, Thy spirit, Thy love; yet it is too high, we cannot attain unto it. Make us, therefore, aware that we have wisdom from Thee: help us to use it; that we have

felt Thy spirit: grant that we be receptive to it.

We know the conditions of Thy love and that it casteth out fear; may mercy and justice be shown.

Give these Thy servants the understanding that the Nation honors them and looks to their work. May what is done be pleasing in Thy sight. We pray in the name of the Master. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## DEPARTMENT OF COMMERCE APPROPRIATION BILL, 1961

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 10234) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1961, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

## COMMITTEE ON PUBLIC WORKS

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may sit during the session of the House this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

## SUBCOMMITTEES ON LEGISLATIVE OVERSIGHT, AND HEALTH AND SAFETY

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the special Subcommittee on Legislative Oversight and the Subcommittee on Health and Safety be permitted to sit today during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

## ARE WE FAILING IN THE FAR EAST?

Mr. MEYER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. MEYER. Mr. Speaker, yesterday I gave facts exposing the farce of so-called democratic free elections on Formosa under Nationalist China and related them to the serious situation in South Korea caused by similar hypocrisy and injustice.

Now we have word about so-called favorable election results in Laos. But we hear little about the use of the army

and other measures to secure such results. I know enough of the facts, and have forewarned about them previously, to report that instead of being able to cite a case of a democratic free election, we will hear claims that these elections were rigged.

How long can the prestige of Western democracy and freedom be sustained in the Far East if there is so little of it or even honesty in so many places where we exert an influence?

I have called for a reappraisal of our activities in that area. I have said that our Foreign Affairs Committee and particularly our Subcommittee on the Far East and the Pacific should get the facts independently. We dare not let things drift; we cannot afford to participate in a "whitewash" or in sweeping dirt under the rug.

Several Members of Congress had doubts relative to the appointment of J. Graham Parsons as Assistant Secretary of State for Far Eastern Affairs. His appointment was a mistake and he should be replaced. The United States and all nations associated with us in the quest for peace, freedom, and justice dare not risk further failures in principle or direction of purpose.

## LEAVE OF ABSENCE

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Ohio [Mr. DEVINE] be granted leave of absence for 5 days due to business in his congressional district.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## THE CAMPAIGN CONTRIBUTIONS ACT OF 1960

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, it is of primary public interest that campaign expenses of candidates for national, State and local offices shall be met by large numbers of modest contributions rather than chiefly from a relatively few large contributions.

The situation has become so serious at national levels that there has been talk of making appropriations from public funds available to the major political parties.

The bill I have just introduced is intended to meet the situation by encouraging large numbers of modest contributions to political committees, including independent committees organized to promote a candidate, or candidates. This would be done by making contributions deductible—but within two strict limits.

One limit would be that in no event would the amount deductible exceed 2 percent of the taxpayer's adjusted



gross income—the combined adjusted gross income of husband and wife filing a joint return. In view of the prime importance of our getting political issues and candidates before the people, it would allow deductions to this end at a fraction of the amounts allowable for ordinary charitable contributions and gifts.

Mr. Speaker, in view of the importance of encouraging only modest contributions, a maximum deductible contribution of any taxpayer is set at \$1,000.

There can be, I recognize, some difference of opinion as to the precise rate and overall limit which should be set to contributions, but I believe that my proposal is both badly needed and basically sound in principle.

#### PAUL BUTLER

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FORRESTER. Mr. Speaker, this morning's Washington Post carries an article saying that Paul Butler, national chairman of the Democratic Party, described the effect of the Negro sitdown demonstrations in the South as "a healthy reaction to an un-American situation." I wonder now if Mr. Butler would know what Americanism is if he met it in the middle of the big road. This is cheap politics. But the trouble is that while that statement is untrue, irresponsible statements of that kind are calculated to bring and are bringing untold troubles upon my people. I know now, and I believe the majority of the Democratic Party knows, that President Truman was on exceedingly solid ground when he said that Mr. Butler could never make a worthwhile contribution to the Democratic Party. Mr. Speaker, Paul Butler should resign.

#### KOREA

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, the Secretary of State encouraged mob rule in Korea. He encouraged mob rule against the duly elected government of a free republic. The Secretary of State encouraged and backed the overthrow of a government which was the symbol and epitome of freedom in the Far East. The United States met the challenge of armed international Communist aggression for the first time in South Korea. We sacrificed thousands of the flower of our young manhood. In that struggle for freedom, the Korean people and their great leader, Syngman Rhee, fought valiantly at our side. This tragic and unparalleled action by the State Depart-

ment in Korea could set off a chain reaction all over the world. It could be the signal for mob violence against every republican form of government on the face of the earth.

Already student mobs are forming in Japan. Is the State Department to encourage them to overthrow the Japanese Government? Is the State Department again to encourage mob action in Panama against the canal? What is going to be the attitude of the State Department about mob violence in South America and in the Near East?

This action by the Secretary of State helped the cause of communism in the Far East. It has weakened our defense line. It will encourage other mobs to form led by "students" with Castro sideburns.

#### EMERGENCY HOME OWNERSHIP ACT

Mr. O'NEILL. Mr. Speaker, under direction of the Committee on Rules, I call up the resolution (H. Res. 498) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10213) to amend the National Housing Act to halt the serious slump in residential construction, to increase both on-site and off-site job opportunities, to help achieve an expanding full employment economy, and to broaden home ownership opportunities for the American people. After general debate, which shall be confined to the bill, and shall continue not to exceed three hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 55]

Alexander	Devine	Jones, Ala.
Anderson,	Dooley	Keogh
Mont.	Dowdy	Kilburn
Barry	Durham	Lafore
Bolling	Fenton	McGinley
Bonner	Flynn	McIntire
Brown, Mo.	Frazier	Mailliard
Buckley	Gallagher	Martin
Burleson	Gavin	Miller,
Canfield	Granahan	George P.
Chelf	Grant	Moeller
Clark	Gray	Montoya
Cooley	Hollifield	Morgan
Delaney	Jackson	Morris, N. Mex.

Norblad  
Pelly  
Philbin  
Plicher  
Powell  
Rabaut  
Roberts  
Rogers, Tex.

Rooney  
Roush  
Saund  
Scott  
Shelley  
Sheppard  
Steed  
Sullivan

Taylor  
Teague, Tex.  
Thompson, N.J.  
Udall  
Walter  
Young

The SPEAKER. On this rollcall 368 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### EMERGENCY HOME OWNERSHIP ACT

Mr. O'NEILL. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] at the conclusion of my remarks; and at this time I yield myself such time as I may require and reserve the balance of my time.

Mr. Speaker, House Resolution 498 provides for the consideration of H.R. 10213, to amend the National Housing Act to halt the serious slump in residential construction, to increase both onsite and offsite job opportunities, to help achieve an expanding full employment economy, and to broaden home ownership opportunities for the American people. The resolution provides for an open rule, with 3 hours of general debate.

H.R. 10213 is designed to combat the critical shortage of home-mortgage credit which has caused a costly upward spiral of interest rates, unconscionable discounts on FHA and VA mortgages, increased use of unsound and costly financing devices in the conventional loan sector, and a serious decline in homebuilding. This has frustrated our national policy of improving housing conditions and encouraging home ownership on a sound basis. Moreover, the drop in residential construction which has taken place over the past year has resulted in a loss of more than half a million jobs. The experience of the 1957-58 recession proved that a downturn in homebuilding activity, if allowed to continue unchecked, can undermine the entire economy.

The Committee on Banking and Currency is convinced that the dropoff in new home construction in the face of continued strong demand for housing is the direct result of the restrictive monetary policies pursued by the monetary and fiscal authorities. The hearings held on this bill established conclusively that this tight money policy has a particularly severe impact on residential construction. The purpose of this bill is to offset in some measure the discriminatory effects of that policy by interposing the financial strength of the Federal Government in favor of the homebuying family in the unequal competition in the money market. This action is essential if we are to live up to the national housing policy set forth in the Housing Act of 1949, and the economic policy established by the Employment Act of 1946.

During the hearings on the Emergency Home Ownership Act—H.R. 10213—by the Subcommittee on Housing, testimony in support of the bill was given by labor, veteran, and citizen groups, as well as

the homebuilding industry. Opposition came primarily from spokesmen for the large lenders and from the administration.

Mr. Speaker, I urge the adoption of H.R. 498.

Mr. ALLEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the best government is the form of government that the people can afford to pay for.

Thomas Jefferson, an immortal, wisely said:

The best government is that one which governs the least.

Able and sound economists recommend that in times of great prosperity that the budget be balanced—that there be no deficit financing.

Notwithstanding these commendable admonitions we are considering a billion dollar back door raid on the U.S. Treasury.

The sponsors of the bill presently before us, and they are few, designate it as the "Emergency Home Ownership Act." But the fact is there is no emergency. Perhaps it should be called "The Fiscal Irresponsibility Act."

Mr. Speaker, I do not know why this bill is presently before us. I have not received one letter in support of it. To my knowledge there is no demand from the people back home for its passage.

It is of interest to note that when this measure was before the Rules Committee that the gentleman from California [Mr. McDONOUGH]—yes, from Los Angeles, the fastest growing city in the United States—testified:

I know of no emergency existing in Los Angeles in this field. I know of no demand for this legislation.

Before the Rules Committee, Mr. DERWINSKI, our colleague from Chicago, Ill., the second largest city in the United States, said that he did not know of any demand for the passage of this legislation.

Our colleague, the gentleman from New Jersey [Mr. WIDNALL], whose district adjoins New York City, stated before the Rules Committee that he knows of no emergency in the field of housing—that he knows of no demand for its passage.

Mr. Speaker, these three distinguished colleagues speak for the three most densely populated areas in the United States. When they state there is no emergency and no demand—should we not pause and consider? Is it not reasonable for us to believe that if an emergency exists that they would know about it?

Today, we stand in the midst of our greatest prosperity. Today, more people are gainfully employed than ever before in history and with the highest wages in history. It is true that there are certain areas in our country, particularly West Virginia and certain sections of Pennsylvania that are not as well off economically as we would like to have them but the enactment of this legislation would not help them. Federal Government meddling in this field would not be of benefit to them.

It appears that some people believe that easy money, continuous Govern-

ment borrowing and continuous Government extravagant spending will cure everything. "Budget busters" and "irresponsible spenders" seem to fear nothing. They seem to believe that our Government should continue to borrow and borrow additional billions of dollars for their children and their children's children to pay back. They attempt to justify themselves by unwisely stating that an emergency exists when it does not exist.

Mr. Speaker, it is imperative that all of us who believe in sound government, that all of us that have a sense of financial stability roll up our sleeves, tighten our belts, and stop these extravagant spending schemes. It is time for us to pause and to realize where we are—financially speaking.

Mr. Speaker, as sure as I stand here, this Congress will be called upon to raise our national debt limitation unless the spenders are stopped.

I am certain that if this irresponsible bill receives approval today that there will be many threats to the balancing of the budget. If all the proposals being seriously considered by Congress should be enacted, the deficit for fiscal year 1961 will be about \$55 billion. If projected these bills over a 5-year period would amount to a \$325 billion deficit. We all know that once these extravagant schemes start they never stop.

These are not my figures; they are the figures of the Director of the Bureau of the Budget that were given to me yesterday.

So today is a day of decision. The question before us is extremely simple. If we give in to the extravagant spenders we are doomed. We can expect a great offense from the budget busters through to adjournment date. If an unjustifiable bill of this nature can receive the approval of Congress, I ask you: What spending schemes can be halted? When will we stop?

So I say to you again—let us dedicate ourselves to the simple philosophy that "the best government is the type of government that the people can afford to pay for." That Thomas Jefferson was right when he said, "The best government is one that governs the least."

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. ALLEN. I yield.

Mr. O'NEILL. Does the gentleman know how many people in the United States are unemployed today? There are 4,500,000 people now unemployed in this country.

Mr. ALLEN. What I am saying, and he cannot dispute it, is that today there are more people employed in the United States than ever before in history and they are being paid the highest wages in history. Of course, there are some places such as in West Virginia, for example, and certain areas of Pennsylvania where there are areas of unemployment. But, as a whole, I do not believe the great majority of the people think we have any great emergency in this country. I do not know why these budget busters and these spenders are coming in with these extravagant schemes. They do not seem to realize that we do not have any money in the U.S. Treasury, but that we have to

borrow it for our children and their children and future generations to pay back. I say that we should have some sense of financial responsibility.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. ALLEN. I yield.

Mr. PUCINSKI. It is my understanding that this is an authorization bill, and if the gentleman's statement is correct and if there should be no demand for this money, then obviously the money would not be made available; is that not correct? If there is no need for the money, the money would never be appropriated and would never be spent.

Mr. ALLEN. I will say to my colleague from Illinois that it has been my experience that when bills of this nature become law that somehow money is made available and money is spent.

Mr. PUCINSKI. I am asking the question for some elucidation. Can the gentleman explain that to me, please?

Mr. ALLEN. I say that during my long experience, whenever there is money available they will put it out.

Mr. PUCINSKI. I respect the gentleman's views. I want to know how to vote.

Mr. ALLEN. I am saying to the gentleman that when you make money available there is always a bunch of these "do-gooders" who will see it is spent.

Mr. PUCINSKI. These are not hand-outs. These are not direct appropriations given to somebody.

Mr. ALLEN. Now may I say this: These budget busters, these extravagant spenders, must realize that if we continue along this line we will soon have a bill here to raise the national debt ceiling.

Mr. O'NEILL. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, we are witnessing today something we have seen repeatedly over the years, where a majority of our Republican friends are thinking in terms of status quo, in terms of yesterday; and lacking in vision. This is another illustration where the Republican Old Guard is in control of the Republican Party on the congressional level, blind in their opposition, just as they opposed social security and the minimum wage. Always fighting progress. That is going to be one of the big issues in this campaign. The Republican Old Guard control of the Republican Party on the congressional level. We just see another illustration of what is going on. The old force of reaction, trying to prevent the passage of legislation that is necessary in the best interests of the people of our country.

This bill meets an immediate situation that exists. We know of the high interest rates. We know the Republican administration is responsible for them. We know we are paying 4½ billion more on our national debt than we were paying 7 years ago when Harry Truman was in office.

We also know what large discounts are demanded throughout the country,



anywhere from 8 to 16 percent discount imposed upon borrowers of money.

This bill is aimed to meet this situation. It is legislation that is necessary in the best interests of the homeowners of our country, the backbone of the country, the family life of the Nation. Here we have another illustration of an old policy of our Republican friends, the great majority of them, blindly opposing; and their opposition clearly shows what I have stated on many occasions and what I will continue to state in the months to come between now and the fall elections, that the people have no hope during the next 4 years if a Republican President is elected, because the Republican Old Guard will be in control of the Government.

Mr. ALLEN. Mr. Speaker, I yield 6 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, again, here on the floor of the House, we are seeing another illustration of that which has happened so often in the past, an appeal to partisan prejudice in an attempt to raid the Treasury.

Personally, I am opposed to this legislation for many reasons. I voted against it in the Rules Committee. First of all, I would like to call your attention to the fact this resolution itself says something which, in my opinion, and in the opinion of the great majority of the people who are in the real estate, construction, and homebuilding business, is absolutely not true. In other words, the adoption of this resolution would have the Congress of the United States saying that this action is necessary "to halt a serious slump in residential construction."

There is no serious slump in residential construction. We are just a little bit behind 1959, which was the second highest year in all of our history. In 1960 residential construction is running ahead of past years under Democratic administrations. More homes are being built today under the present administration than ever were built in any 1 year under a Democratic administration, despite the plea of my good friend, the gentleman from Massachusetts.

Let me say something else to you, if I may: There is not any need for this legislation. This legislation provides for a direct approach to the Treasury or back-door spending without appropriation by Congress. This is not just an authorization bill; this measure just simply provides they can get this money out of the Federal Treasury without any further action by the Congress. This \$1 billion would be spent above the budget. It would add to the national debt. It would increase deficit spending by our Government. And I say to you, very frankly, Mr. Speaker, there is nothing liberal about inflation and reducing the purchasing power of the people's money, especially for the old folks of this country who have limited savings to take care of their needs in their old age.

They call that liberalism.

They say we who oppose this activity are all wrong although what we are striving to preserve is the purchasing value of the American dollar; and not to reduce this Government to penury

or insolvency. When we do that we are accused of being standpatters, Old Guard, or something similar. Let me remind you that we as representatives of the people are here to protect the best interests of the people. I want to protect the best interests of all the American people today by urging, if I may, the defeat of this rule and thus prevent the consideration of this monstrosity which is called an emergency housing bill, sent here because it is claimed an emergency exists. I wonder when we are ever going to reach the time in this country when we no longer have an emergency which requires the spending of the people's substance in wasteful and extravagant Government activities?

I wish to point out one other thing, and I want to be very frank about it: Just a week ago we voted for a civil rights bill in the House.

I have been informed by the author of an amendment, a man of honor, that he will introduce an amendment to this bill if the bill is considered on the floor, and I think I should read this proposed amendment to you. He was kind enough to give me a copy of it.

It provides, by adding on page 8 the following language, or new sentence:

Notwithstanding any other provision of this section, the Association shall not purchase or make a commitment to purchase under this subsection any mortgage covering housing with respect to which there is (or is permitted to be) any discrimination against purchase, rental, or occupancy on account of race, religion, color, ancestry, or national origin.

If we are going to have a bill like this I believe all of you who supported civil rights legislation on the floor of the House, every one of you including those who have spoken today, will have to support this sort of an amendment. If we are going to have civil rights in school matters, in voting matters, and in other matters, then we should have the same equal civil rights, the same protection against discrimination in connection with the making of loans for housing guaranteed by this Government of yours and mine, which every citizen, regardless of race, color, or creed, pays taxes, is called upon to finance through payment of Federal taxes. I can assure you this amendment will have rather generous support, and that a great many people in America will be watching to see how some of the champions of civil rights last week will be voting on this particular amendment this week.

The issue may separate the so-called liberals from those of us who believe in a sound and responsible fiscal policy. I do not know, it may even finally decide who is truly progressive and really believes in these civil rights for which we voted and for which we stand.

Yes, this amendment will be the test of the sincerity of some of those who voted for civil rights legislation last week.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Illinois.

Mr. ARENDS. The gentleman who is going to offer the amendment was called from the floor for a few minutes; but I

am authorized to say that the amendment will be offered as the gentleman indicated.

Mr. BROWN of Ohio. I thank the gentleman.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH].

Mr. SMITH of Virginia. Mr. Speaker, I am opposed to this bill and I am opposed to this rule. The bill comes here under an inaccurate and untrue label.

The history is that 2 years ago when we were in a so-called brief emergency, there was a dropping off in housing starts. This bill, labeled "Emergency Housing Act," was brought in and passed by a voice vote under suspension of the rules in order to stimulate the housing industry. Two years have now passed, the emergency has passed, yet we are confronted here this morning with another bill labeled "Emergency Home Ownership Act" in an effort to get another billion dollars out of the back door of the Treasury under a label of "emergency" which no longer exists. That is the plain fact about this bill.

It is true that 2 years ago housing starts were off and there was a logical reason to pass this bill. Since that time, as you all know, the economy of the country has recovered. For the first 3 months of this year there have been 20 percent more housing starts than there were in 1958. There were something over a million housing starts in the first 3 months of this year. They are running well above the average of the past few years, and they are running very close to what they ran last year under the stimulation of the Emergency Home Owners Act.

Mr. Speaker, when the chips are down the people of this country are getting rather tired of spending more money than we have.

They are demanding a balanced budget. Now, this means taking \$1 billion out of the Treasury by means of the back door. That billion dollars has a direct effect on your next budget, and I believe that the House realizes that we must exercise some rigid responsibility in the matter of spending more money than there is in the Treasury. I think all of you understand the method and the manner by which this money is appropriated. It never goes through the Committee on Appropriations. We never have a check on it, but when this bill is passed, that agency is authorized to go to the Secretary of the Treasury and have him hand over \$1 billion without any further action by the Congress. Now, you cannot keep your finances straight with that sort of an operation or system. We have had discussions about it on the floor from the Committee on Appropriations and from others, and we have got to stop this back-door approach to the Treasury of the United States if we are ever going to have a balanced budget.

Mr. Speaker, before this session ends you are going to have another bill up here from the Committee on Ways and Means either to extend the emergency increase in the debt limit for another period or, if this sort of legislation keeps up until the end of this session—and

there will be other bills following this—if this keeps up, you are going to have another bill before you to again increase the permanent debt limit.

Now, gentlemen, I think it is time to stop, look, and listen to these things, because this is the first test whether this Congress is going to show some financial responsibility. But we must have some stop to these authorizations—and many of them are authorizations—that are coming before the Congress before this session ends that will increase the annual expenditures of this Nation by large sums.

Mr. Speaker, I hope that the House will vote down this rule and let it be known that we are going to have financial responsibility in this session.

Mr. ALLEN. Mr. Speaker, I yield 4 minutes to the gentleman from Idaho [Mr. BUDGE].

Mr. BUDGE. Mr. Speaker, the distinguished majority leader referred a few minutes ago to an attempt on this side to retain the status quo. When each of us in this Congress, no matter what our politics, thinks of the effect that this bill will have upon the fiscal affairs of this Nation, I think that all of us want to retain the status quo. I do not know of a Member of this body who wants to vote next week to raise the permanent debt limit of this Nation by \$1 billion. That is what we mean by retaining the status quo. We mean that we want to finance this Nation and we want to finance the activities of this Government within the means we have with which to finance it.

Mr. Speaker, why do we have this constant eroding of the free enterprise system? Why do we continue at every opportunity to inject the Federal Government into the private affairs of the people of this Nation? The distinguished majority leader should recall this, that the effect of this bill will be not to help the little fellow; the effect of this bill will be to absorb the discount which is now being paid by the homebuilders, that discount to be absorbed by the taxpayers of this Nation. I give you this example. Suppose a young man has a \$1,000 equity in a home which is appraised at \$10,000 and which he desires to sell. If this bill is passed the 6-percent discount rate which has in the past been absorbed by the builders will now be absorbed either by the little fellow who has \$1,000 of his savings in that home, or else it will be absorbed by the taxpayers of the United States. I doubt the majority leader, considering the things for which he declares himself, desires that the Federal Government pick up the tab, desires that the veterans and other small homeowners of this Nation pick up the tab for these large real estate builders who are building homes in the hundreds and thousands of units. Such a course would certainly be out of character to the spoken record of the majority leader of this distinguished body.

In simple language this is what the bill does: A homebuilder who desires to sell his product in the FHA and VA market must now absorb the discount which the home buyer would ordinarily have to pay to obtain an FHA or VA

loan. The reason such loans are discounted is that interest rates fixed by law are not level with the market. The reason the builder must absorb the discount is that Congress by law refuses to let the buyer pay it. Consequently, at the present time the builder must take less profit since he and he alone must absorb the discount. Now under the provisions of the bill, the Congress is saying, "Mr. Builder, we are going to relieve you of having to bear the discount and we are now going to put that burden on the shoulders of the American taxpayer."

Also, Mr. Speaker, where is the compassion for the little guy about whom the majority leader so frequently speaks? The little guy veteran and nonveteran homeowner who must sell his home and sell it in the FHA and VA market, which is almost always the case. If he has an equity of \$1,000 and the Government agency appraises the property at \$10,000 a 6-percent discount loss would amount to \$600. This discount means that the face value of the mortgage which the buyer is to assume will be \$10,000 but the little guy selling his home receives back only \$9,400. Six hundred dollars in savings of the little guy is wiped out and this bill does nothing for him. It does, however, saddle the \$600 on the taxpayer and remove it from a builder if it is a builder who is selling the house.

This legislation is class legislation of the worst kind. It permits the savings of the little guy to be wiped out entirely or be reduced substantially and at the same time permits an increase in the profit of the builder. Such a result should never be brought about by action of the Congress of the United States and most certainly not when the price is a budget-busting \$1 billion.

Mr. Speaker, I hope that this rule will be defeated.

Mr. O'NEILL. Mr. Speaker, I yield myself such time as I may consume.

I can see it is obvious that the coalition that was operating during the civil rights bill is back in operation. As we started this year there were those on the opposite side of the aisle who had rosy visions of November 8. The gross national product, as I recall, was going to hit somewhere between \$530 billion and \$545 billion. Now they have cut that back and they say that the gross national product is going to hit somewhere between \$500 billion and \$515 billion.

In the early part of the year the rosy picture was painted for us, and it was said that we were going to have less than 3 million unemployed in this Nation; that in November of this year more people were going to be employed than ever before in the history of the Nation and less people were going to be unemployed than ever before in the history of the Nation. But what is happening right now? We have over 4½ million people unemployed in this Nation. What are we facing toward? We are facing toward a recession similar to the one we had in 1958. What happened in 1958? There were over 5 million people unemployed in this Nation and our tax revenues dropped \$12 billion.

Now is the time to act, before we find another half a million or a million more people are unemployed. The record shows that at the present time we have 20 percent less new home starts than we had a year ago at this time. What do you think brought this country out of the doldrums of the recession in 1958? It was the emergency legislation that we passed in that Congress.

We should not have to wait until the emergency arises. We should do a little planning. That is what the chairman of this committee and the members of this committee have done when they brought out this excellent piece of legislation. They are thinking of the future of America, they are thinking of the economy of America. This is emergency legislation; yes, it is an emergency, because it is going to forestall us from hitting a worse recession than we are in at the present time when we have 4½ million who are unemployed.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. McDONOUGH. I do not know where the gentleman gets his figure of 4 million unemployed. I have a statement here from the Labor Department on the February unemployment figures, which show that there were only 3,931,000, and there were 800,000 less than in the same month last year. Now as to this question of increasing unemployment. We had a situation where weather affected the building industry and employment for quite a period of time. There were many factors influencing unemployment, but we are having a rising employment figure from month to month. The figure I gave was only for February. These figures do not include March.

Mr. O'NEILL. The gentleman just gave the February figure of 3,900,000?

Mr. McDONOUGH. That is right.

Mr. O'NEILL. We are now into the third week in April and I say that the figure is over 4 million, 4½ million that are unemployed in this Nation. It is about time, in my opinion, that the little fellow got a break from this administration. After all, if you want to look at the record back when Harry Truman left here in 1952 the Federal Government could borrow money on 90-day loans with interest at the rate of 1.52 percent. Today what is the Federal Government paying for loans? A rate of 4.375 percent. It is about time the little fellow in this country got a break. That is what the Democratic Party is fighting for, and that is what the majority of the Members of this House are fighting for.

Mr. Speaker, I hope the bill is passed.

Mr. ALLEN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. McDONOUGH].

Mr. McDONOUGH. Mr. Speaker, we have heard a lot of views and opinions on what this bill would do. I am speaking against the rule. I am against the bill because I believe it is inflationary, that it is a direct increase of a billion dollars on the national debt, that it will not provide relief to the home buyers, it will only provide relief to the homebuilders.



If the total amount in this bill were used in the next fiscal year it would build only 70,000 housing units out of a potential and anticipated 1,200,000 housing units that we are building on the anticipated annual rate at the present time.

Home ownership is one of the best deterrents to communism. Federally subsidized housing is the first step toward socialized housing, which would lead to communism. This is the first step toward federalized, socialized, subsidized housing.

We have gotten along pretty well with the program under FNMA, where FNMA has been discretionary on the type of mortgages purchased. This bill will apply only to \$13,500 mortgages and to \$14,500 mortgages in high-cost areas, if it is limited to the very small amount of the total building of the program. It contains no public housing, it contains no urban renewal, it contains no college housing, it contains no housing for the elderly. In fact, there is so little demand for it that even the builders throughout the country who have known that this bill has been pending before the committee, who knew about the hearings and knew the bill was coming before the House today, have not made any demand for it.

A \$13,500 house is a restricted type of building today because the cost of land is high. When you add to that the cost of labor and material to build the house you exceed the \$13,500 in most instances. So you are actually legislating for a select few of the homebuilders, giving relief to the homebuilders. I doubt if the home buyer will receive any value in the reduction of the rate of interest or the downpayment or the cost of the house. This is specialized, special-interest legislation for a select few of the homebuilders of the Nation. Only 70,000 houses will be built under it out of 1,200,000.

Mr. O'NEILL. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Speaker, I had not expected to speak on the rule, but I heard so many irresponsible statements—and that seems to be a good word that is being used here so much—that I felt somebody ought to give a little of the facts. And I am going to give the facts, and if anyone can dispute them, I will yield to anyone.

In the first place, my good friend, the gentleman from Virginia [Mr. SMITH] said there was not anything wrong with the housing starts. He is in total error. The housing starts are nearly where they were 2 years ago, taking into consideration the seasonal adjustments, when we passed in 30 minutes the bill that he talks about. The housing starts are down 20 percent from last year. Housing starts have been plunging at the most rapid rate of any year since 1950 with perhaps one exception. This is the very same type of bill that the Congress passed readily in 1958, in 30 minutes.

Somebody said that this bill was a bill for special interests. If you call the people who want houses up to \$13,500—if they are not the small, little people of this country, the veterans, and the peo-

ple under FHA—if you call them special interests, then this bill is a special interest bill because they are the people who will benefit. This bill is limited to housing for the low-income people. I wonder, and before I get through with the debate, I will be able to show it, if nobody is concerned about the 7 percent, 8 percent, and 9 percent discounts in the State of California. In other words, where you walk in to borrow money from the lender, and you want \$13,000—he says you have to give me \$1,000 and I will hold that out, but I will charge you interest on the whole deal. That is the situation that prevails in America today. Did you know because of the lack of mortgage credit in a dozen States of the Nation, FHA is bumping against the usury statutes? Well, will somebody stand up to deny that? In other words, everything is so wonderful for the homebuilder or the buyer who can pay 6 percent interest and from 6 percent to 12 percent discount.

Somebody said something about it being inflationary. I quote from the Department of Labor. These are not my figures, but these are from the Department of Labor commenting on the last cost-of-living index:

The cost of services—particularly those associated with housing and medical care—provided the main upward thrust. Mortgage interest rates, which have risen persistently for the past 18 months, contributed appreciably to the rise in the cost of housing.

The February index for mortgage interest was 8 percent above a year ago.

It is all right to talk about inflation. It is all right to talk about financial responsibility. But, it is not all right to use irresponsible statements in making these arguments. The subcommittee of which I have the honor to be chairman, has spent long months in a study of this bill. We have investigated interest rates and discount rates intensively. We did not do it, but the FHA and the VA did it for us. Investigation was made in practically every mortgage market in America. We have a printed volume on it. This is not our conclusion, but the facts as reported by the FHA and the Veterans' Administration. It is alarming to see the discounts, the unconscionable and unreasonable discounts, being charged to people who can only buy a house up to \$13,500. Do you not ever believe that the homebuilders are absorbing the discounts. They are forced to pass them on to the home buyer and the home buyers cannot meet that extra charge.

Of course, the administration must be a little disturbed whenever they see this type of bill come on the floor of the House. I notice that they have called a meeting at which they expect to lower the downpayments under the FHA, as we authorized them to do in last year's Housing Act. I am sorry that some of my good friends were not present when we had this bill up in committee to hear the testimony of Mr. Mason, the administration's housing chief. He said that this is going to be the best year creditwise of any year. This was in January. Events have certainly proved him wrong.

The SPEAKER pro tempore. The time of the gentleman from Alabama [Mr. RAINS] has expired.

Mr. O'NEILL. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. RAINS. Speaking on the economy, I am not saying we are in the middle of a depression, but I will say the bloom is off the rose. Before we get through with the debate I expect to take the indicators of the Administration itself and prove beyond peradventure of doubt that we are in a downward nose-dive from the standpoint of unemployment and from the standpoint of housing starts. The 20-percent decline in housing starts has already meant the loss of 300,000 to 400,000 jobs in the industries which build and supply housing.

Somebody said this would be inflationary. The last time we passed a bill exactly like this—the testimony is in the record before you—the cost of a house in the \$13,500 bracket went down a thousand dollars instead of going up. That is the way to lower the cost of housing. The true increase in the cost of housing is wrapped up in the tremendous increases in interest and discount rates.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. RAINS. I yield.

Mr. McDONOUGH. This bill applies to mortgages that must be sold to FNMA not to exceed \$14,000 or \$13,500 in high cost areas.

Mr. RAINS. That is right.

Mr. McDONOUGH. That is all it affects, as far as FNMA is concerned. The bill provides for a direct loan to FNMA for this purpose.

Mr. RAINS. Now, wait a minute. Please do not put words into my mouth. It is not a direct loan.

Mr. McDONOUGH. That is what your own bill contains. You wrote this yourself, and you should know.

Mr. RAINS. Indeed I wrote it, and I know what is in it. It is not a direct loan.

Mr. McDONOUGH. That represents 70,000 units, if you build every one of them out of the estimated 1,200,000 units this year.

Mr. RAINS. All right. I will answer that. I remember voting for the last one just like this. The administration admits that it was the 1958 housing bill that revived housing starts. That sparked us out of the recession in 1958. If did it then, why would it not do it now?

Mr. McDONOUGH. Oh, you had a different situation then.

Mr. RAINS. What was the difference?

Mr. McDONOUGH. You had greater unemployment, and many other things. As a matter of fact, the Senator from California, the Democratic Senator, at a meeting of a loan association recently made the statement that this bill was unnecessary.

Mr. RAINS. I do not know about that. I am only interested in whether or not we have a program that will help the small average American get a mortgage loan when he cannot get it now.

In your own home city the discount rates on FHA and VA loans range up to 10 percent, 12 percent, and higher.

Mr. McDONOUGH. And no demand for this bill.

Mr. RAINS. Unless we pass this bill there will be no hope for the little man to obtain GI loans or FHA loans to buy the home he needs.

The SPEAKER pro tempore. The time of the gentleman from Alabama has again expired.

Mr. ALLEN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Speaker, I have always refrained from trying to make a talk here on the floor of the House on a subject about which I was not informed. I have spent my entire life in the housing field and with the FHA from its inception.

No reason exists for the adoption of this bill. The question of discounts raised by the gentleman from Alabama [Mr. RAINS] is not cured in this bill; there is nothing in it that will cure the discount abuse; as a matter of fact, it will give Government cash to the lender at par for his mortgages which he has taken at big discounts.

Not a Member of this House thinks in his own mind that this bill can ever become law, and I believe the House will be wasting its time to discuss and debate this bill any further.

Personally, I am against the rule because the bill does not carry any benefits for the little man. It is designed solely for the lenders to take advantage of all the discounts which they can, then let the Government hold the sack.

If you are going to furnish tax money or Government credit for the benefit of a few then put the Government into direct lending.

Mr. HIESTAND. Mr. Speaker, you have heard enough, I am sure, to convince you that the word "emergency" in the title of this bill—Emergency Home Ownership Act—represents a gross exaggeration. There is no drop in these housing starts today, and the figures will bear me out—the rate of a million, two hundred thousand, which is a very high level.

We are debating the rule, Mr. Speaker, and it is important that we vote on the rule. There are, of course, a great many Members who always vote in favor of a rule because they want the House to work its will on the legislation, and that is ordinarily very proper. But this rule, Mr. Speaker, is based upon a false premise. The preamble of the bill states that its purpose is to "halt a serious slump." I deny that statement and say that it is a false premise upon which we are asked to vote for the rule.

I would like to say something about the rest of the title of this bill, the home-ownership part. It is in fact, and should be so called, an "anti-home-ownership bill," and I want to take a minute or two to point out that this bill discriminates against hundreds of thousands of homeowners who every year must sell their homes in a normal FHA and VA market in competition with the builders.

This bill has much to say about sympathy for the builder who sees his profit

reduced because he must absorb the VA or FHA discount. However, where is the compassion for the "little fellow," the owner of a house in the \$10,000 to \$14,000 sales bracket, who because of an increase in his family or employment reason must sell his home?

At the present time this home owner who might have a \$1,000 equity in his house must absorb the discount if the purchaser requires FHA or VA financing. This \$1,000 equity represents savings. Therefore, if the seller of an existing house must absorb a discount of \$400 or \$500 that is the same as wiping out 50 percent of his savings or equity in the house. This the owner of a house must do today, and this the owner of a house must do even if this bill is passed.

The owner of an existing house must compete with the speculative builder, who would be thus subsidized.

Mr. Speaker, every one of our previous housing bills had had one or two clauses in them that were "musts"; they were needed. Mr. Speaker, there is not a clause in this bill that is needed, not one. Nothing is essential. I think we should bear that in mind when we are discussing the bill as well as the rule.

I believe, since the rule is based upon a false premise and there is no particular reason for the bill, that the rule, logically, should be defeated.

Mr. Speaker, I yield back the balance of my time.

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. KILBURN].

Mr. ALLEN. Mr. Speaker, I yield such time as he may desire to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Speaker, I oppose the rule since there is no emergency in home building this year. Therefore, the very title applied to this bill is exaggerated, since, I reemphasize, an emergency does not exist in the homebuilding industry. This bill rather than being called the Emergency Home Ownership Act should be called the "Political Home Ownership Act." May I briefly point out the facts in mortgage financing: The effects of tight money are immediately felt in the mortgage market and funds in that market are always curtailed more sharply than in other sectors as interest rates rise. This is reflected in a reduction in housing starts and a decline in the volume of home building. A decline in the volume of business activity is normal in order to keep the economy on a sound basis and to keep borrowing within the sums of money available in the capital market. Any action by the Treasury to increase the amount of money available would be directly opposite to the program of the Federal Reserve System in curtailing the money supply to prevent inflation. We should certainly not support such programs which work at cross purposes.

Mr. Speaker, 1959 saw a high level of activity in the homebuilding industry. The value of new residential construction was up 25 percent. The number of new starts in 1959 was approximately 1,340,000. This is the second highest year of housing starts in the history of our country. This is conclusive proof

that homebuilding is getting its fair share of the available long-term investment funds.

Housing starts for 1960 are estimated by the experts to be well over a million units and probably in the neighborhood of 1,200,000. In view of the fact that family formations currently are running at about 900,000 per year, it is self-evident that we are improving our housing inventory and that home building is prospering. New starts in the last few months of 1959 were under the new starts for 1958. This, however, is nothing to be alarmed at and can be expected when we have a near record year as we did in 1959, keeping in mind that we added 400,000 more new units last year than there were family formations. The concern for a slight dip in homebuilding should not be exaggerated or overemphasized. No business or industry in America can expect to continually set production records year in and year out. Our productive capacity is such that we can produce more than we can use.

In spite of these facts, Mr. Speaker, some people in Congress called for an emergency housing bill. I, personally, find the emergency hard to find. This bill would call for the Federal Government to put up \$1 billion to finance homes. Where would this billion dollars come from? In all probability, it would come from exactly the same investors who are now lending in the home mortgage field so that, in reality, little if any new money would be brought into housing. On the other hand, the public would have to subsidize this governmental action since the Federal Government is currently paying close to 5 percent on new Government bond issues. This money would be loaned at from 5 1/4 percent to 5 3/4 percent, and the difference is not sufficient to pay for the cost of the Government obtaining this money from new issues. In other words, the overhead and cost of getting the money and putting it into Government insured mortgages would mean a net loss to the Treasury. In addition, this money would not go as far as it would if it were left in the private investment field since it would be loaned for longer periods of time.

At the present time there is sufficient mortgage money available to continue the boom in homebuilding and to enable the public to get the maximum loans available. On top of all this, the Treasury Department is exceedingly hard pressed to get needed funds for day-to-day debt transactions and Government liabilities. They are paying the highest rate ever for short-term money, and it has been 30 years since the long-term rates were so high. Again, some people in Congress would like to add additional woes to the financing of Federal Government operations by requiring an additional \$1 billion to be sought at this time. Obviously, this is neither logical nor expedient.

Everyone in Congress, I am sure, including myself, wants to see a better housed America and wants to see a continuing prosperous economy. To my knowledge, no single Member of Congress or either party has a monopoly on



housing legislation. I am very interested in housing legislation, but I think that it must be reasonable and appropriate. Today, the homebuilding industry is getting a higher percentage of the long-term funds than in any other industry, and the percentage is higher today than it has been in the years gone by. At a time, however, when homebuilding is very prosperous, it would be unfair and illogical to try and strip long-term investment capital from other segments of our economy that is needed just as badly in order to boost an industry which is already getting at least its fair share of the long-term capital available. Our State and local governments need capital for improvement of sewerage, community facilities, schools, hospitals, and other desirable necessary improvements. Many of these are in far more serious condition than is homebuilding. I believe that the majority of the American citizens are aware of this and are completely unaware of any emergency in housing at this time.

Mr. ALLEN. Mr. Speaker, I yield the balance of the time on this side to the gentleman from Illinois [Mr. ARENDS].

The SPEAKER. The gentleman from Illinois is recognized for 5 minutes.

Mr. ARENDS. Mr. Speaker, the rule before us makes in order a \$1 billion housing bill. This presents to us a key vote. On this there must be a record vote. This is where we determine, for all the people to know, those of us who believe in fiscal responsibility and those who are more interested in their own political fortunes.

By our votes they shall know us. Government spending is popular with certain individuals, certain groups, and certain sections of the country that benefit. That is understandable. Everyone likes a spendthrift, but no one likes an economizer. It is easy to spend. It is hard to economize. That is the issue here on this rule.

Mr. Speaker, the vote on this rule will serve to separate, as emphatically as anything we have done, the spenders from the economizers. On this vote we will divide the budget balancers from the budget busters. On this vote we will decide who is interested in solely his own political future and who is really interested in our country's economic stability.

This bill is presented to us as an emergency measure. I choose my words, Mr. Speaker, and I choose them carefully when I say, that to label this bill as an emergency measure is fraudulent. There is no emergency in housing. On the contrary, new dwelling units were being started at the rate of 1,100,000 to 1,200,000 during the first quarter of 1960.

What does the term "emergency" really mean? It can be defined in many ways. Perhaps there has been a decline in the numbers of homes being built. Perhaps there has been a decline in the mortgage money available. In the construction business, as in all business, there are the inevitable fluctuations. But a mere fluctuation does not constitute an "emergency," as the committee reporting this bill would have us believe.

The fact is, and the committee reporting the bill knows it, there actually is no emergency. There is none whatsoever. To report a bill to meet an emergency is one thing, but to present us with a bill on the grounds that there is an emergency, when no emergency exists, is something else.

I should like to have an explanation of the word "emergency." Is the emergency to mean more expenditures from the Federal Treasury simply to serve political purposes? Is an election an emergency?

The only emergency there can possibly be is the emergency that would be created if the fiscal soundness of our Government were undermined by the passage of legislation that would add billions to spending. We must evaluate this so-called emergency housing bill upon a basis of the whole legislative picture. This bill, along with the other spending proposals that are pending, would add billions to the budget. The adoption of this measure would open the flood gates of Federal spending.

This bill is a challenge to the Congress on the question of fiscal responsibility. This is the test for us. This constitutes a determination of whether we wish to add unnecessarily to the cost of government and thereby add to the pressures of inflation.

There is no emergency in the home mortgage market. Nineteen hundred and fifty-nine was a record year for mortgage investment activity. All types of private mortgage lending institutions supplied increased amounts of credit for home buyers. Insurance companies invested \$2.1 billion in mortgages—nearly \$350 million more than in 1958. Savings and loan associations invested \$7.5 billion—almost \$2 billion more than in 1958. Banks invested \$4.4 billion—an increase of \$200 million over 1958.

In addition, large amounts of credit were made available to the home mortgage market in 1959 by Government agencies. The rapid growth of our economy last year resulted in heavy demands for capital and credit from all sectors of our economy. These demands are being met. If there ever was an emergency in the mortgage credit market in 1959, there is none now.

There is no emergency in our overall economy. Our country's total output of goods and services reached an all-time high at the annual rate of \$498 billion during the first quarter of this year. Total personal income has also been rising, reaching an alltime high of \$393 billion in the first quarter of this year.

As I stated at the outset this is a key vote by which the American people will be able to know by the record those of us who believe in fiscal responsibility and those who would spend with abandon. This is the first of a number of pending measures that would add billions to the cost of Government. This is where we decide whether we really want to keep our Federal budget in balance, whether we really want a stable dollar, whether we really intend to reduce our national debt, whether there really is any hope at any time for tax relief. If, during this period of record employment and per-

sonal income—if during this period of prosperity we cannot keep the Federal budget balanced—we never will be able to reduce our national debt and there will be no hope of any relief from the heavy burden of taxes.

Mr. Speaker, I urge that the House reject this rule.

Mr. O'NEILL. Mr. Speaker, I yield myself the balance of the time.

Mr. Speaker, it is interesting to see how the old guard of the Republican Party is really champing at the bit today. As a matter of fact, it appears that the legislation is a bit controversial but not so controversial that the old guard would not want to cut off the 3 hours' debate that the rule provides for. I am amazed that the second in command of the Republican Party wants to deny the Members of this House the right to hear a full and open debate on the bill which only 2 years ago passed this House in a matter of 30 minutes. I was amazed at the remarks the gentleman made that, "by their votes ye shall know them." How can he forget 1948, "by their votes ye shall know them"?

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Illinois.

Mr. ARENDS. Let me just simply say to the gentleman I am against wasting time as much as I am against wasting money.

Mr. O'NEILL. "By their votes ye shall know them." Of course, he says we are having a great year. Actually he looks back to the rosy predictions that were made in early January of this year. He said that the gross national product was supposed to hit \$540 billion. Now they do not know that it is going to hit \$500 billion. They said that unemployment was going to be below 3 million people, but at the present time it is 4½ million people, and we do not know where it is rising to. It is about time, Mr. Leader, on your side, that you start to think of the people, the little people, the middle class people, the upper middle class people, the people who comprise 90 percent of this Nation, and that you stop thinking of the great lenders of this Nation.

Mr. Speaker, I hope that the rule is adopted.

Mr. HIESTAND. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from California.

Mr. HIESTAND. The gentleman's solicitude for the little people is quite understandable. It is understandable to all of us. How about the small homeowner who has to sell his house as against the big builder? The big builder would benefit by this bill and the small homeowner is discriminated against. How about the little fellow?

Mr. O'NEILL. I do not agree with you at all. I think that the rule should be adopted so that we can have 3 hours in which we can really discuss this matter openly and fairly so that the Members can be informed.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the Republican "whip," in his 5 minutes addressing the House he mentioned the question of fiscal responsibility four different times. I would like to ask him if he did not vote for the mutual security authorization last week.

Mr. ARENDS. Yes, sir; I voted for the mutual security authorization in the best interests of America.

Mr. O'NEILL. Mr. Speaker, I move the previous question.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on the resolution.

Mr. ALLEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 214, nays 158, answered "present" 1, not voting 58, as follows:

[Roll No. 56]

YEAS—214

Addonizio	Glaimo	Multer
Albert	Gilbert	Murphy
Alford	Natcher	Natch
Andrews	Green, Oreg.	Nix
Anfuso	Green, Pa.	Norblad
Ashtley	Griffiths	O'Brien, Ill.
Aspinall	Hagen	O'Brien, N.Y.
Bailey	Halpern	O'Hara, Ill.
Baring	Hardy	O'Hara, Mich.
Barr	Harmon	O'Konski
Barrett	Harris	O'Neill
Bass, Tenn.	Hays	Oliver
Beckworth	Healey	Patman
Bennett, Fla.	Hébert	Perkins
Blatnik	Hechler	Post
Blitch	Hemphill	Poage
Boggs	Hogan	Porter
Boland	Holifield	Powell
Bowles	Holland	Preston
Brademas	Huddleston	Price
Breeding	Hull	Prokop
Brewster	Ikard	Pucinski
Brooks, La.	Inouye	Quigley
Brooks, Tex.	Irwin	Rabaut
Brown, Ga.	Jarman	Rains
Burdick	Jennings	Randall
Burke, Ky.	Johnson, Calif.	Reuss
Burke, Mass.	Johnson, Colo.	Rhodes, Pa.
Byrne, Pa.	Johnson, Wis.	Rivers, Alaska
Canfield	Jones, Mo.	Rodino
Carnahan	Karsten	Rogers, Colo.
Casey	Karth	Rogers, Fla.
Celler	Kasam	Roosevelt
Chamberlain	Kastenmeier	Rostenkowski
Chipfield	Kearns	Rutherford
Coad	Kee	Santangelo
Coffin	Kelly	Saund
Cohelan	Kilday	Saylor
Cook	Kilgore	Selden
Corbett	King, Calif.	Shelley
Daddario	Kirwan	Sheppard
Daniels	Kluczynski	Shipley
Davis, Tenn.	Kowalski	Sikes
Dawson	Lane	Sisk
Dent	Lankford	Slack
Denton	Lennon	Smith, Iowa
Diggs	Lesinski	Smith, Miss.
Dingell	Levering	Spence
Dorn, N.Y.	Libonati	Staggers
Doyle	Loser	Stubblefield
Dulski	McFall	Teller
Edmondson	McGovern	Thomas
Elliott	Macdonald	Thompson, Tex.
Everett	Machrowicz	Thornberry
Evins	Mack, Ill.	Toll
Fallon	Madden	Trimble
Farbstein	Marshall	Udall
Fascel	Matthews	Ullman
Feighan	Marrow	Vanik
Fino	Metcalf	Van Zandt
Flood	Meyer	Vinson
Flynn	Miller, Clem	Wampler
Fogarty	Miller,	Watts
Foley	George, P.	Westland
Forand	Mills	Whitener
Forrester	Mitchell	Wier
Fountain	Monagan	Wolf
Friedel	Moore	Wright
Fulton	Moorhead	Yates
Gallagher	Morris, Okla.	Zablocki
Garmatz	Moss	Zelenko
George	Moulder	

NAYS—158

Abbutt	Dorn, S.C.	Miller, N.Y.
Abernethy	Downing	Milliken
Adair	Dwyer	Minshall
Alger	Fisher	Mumma
Allen	Flynt	Murray
Andersen,	Ford	Nelsen
Minn.	Frelinghuysen	Norrell
Arends	Gary	Osmer
Ashmore	Gathings	Ostertag
Auchincloss	Glenn	Passman
Avery	Goodell	Pillion
Ayres	Griffin	Pirnie
Baker	Gross	Poff
Baldwin	Grubser	Quile
Barden	Haley	Ray
Barry	Harrison	Reece, Tenn.
Bass, N.H.	Henderson	Rees, Kans.
Bates	Herlong	Rhodes, Ariz.
Baumhart	Hess	Riley
Becker	Hiestand	Robison
Belcher	Hoehn	Rogers, Mass.
Bennett, Mich.	Hoffman, Ill.	St. George
Bentley	Hoffman, Mich.	Schenck
Berry	Holt	Scherer
Betts	Horan	Schwengel
Bolton	Hosmer	Short
Bosch	Jensen	Sifler
Bow	Johansen	Simpson, Ill.
Bray	Johnson, Md.	Smith, Calif.
Brock	Jonas	Smith, Kans.
Broomfield	Judd	Smith, Va.
Brown, Ohio	Keith	Springer
Broyhill	Kilburn	Stratton
Budge	King, Utah	Taber
Byrnes, Wis.	Kitchin	Teague, Calif.
Cahill	Knox	Thomson, Wyo.
Cannon	Kyl	Tollefson
Cederberg	Laird	Tuck
Chenoweth	Landrum	Utt
Church	Langen	Van Pelt
Collier	Latta	Wainwright
Colmer	Lindsay	Wallhauser
Conte	Lipscomb	Weaver
Cramer	McCulloch	Weiss
Cunningham	McDonough	Wharton
Curtin	McMillan	Whitten
Curtis, Mass.	McSweeney	Widnall
Curtis, Mo.	Mahon	Williams
Dague	Mailliard	Willis
Davis, Ga.	Mason	Wilson
Derouman	May	Winstead
Derwinski	Meader	Withrow
Dixon	Michel	Younger

ANSWERED "PRESENT"—1

McCormack

NOT VOTING—58

Alexander	Gavin	Pelly
Anderson,	Granahan	Philbin
Mont.	Grant	Pilcher
Boiling	Halleck	Riehlman
Bonner	Hargis	Rivers, S. C.
Boykin	Holtzman	Roberts
Brown, Mo.	Jackson	Rogers, Tex.
Buckley	Jones, Ala.	Rooney
Burleson	Keogh	Roush
Chelf	Lafore	Scott
Clark	McDowell	Steed
Cooley	McGinley	Sullivan
Delaney	McIntire	Taylor
Devine	Magnuson	Teague, Tex.
Donohue	Martin	Thompson, La.
Dooley	Moeller	Thompson, N.J.
Dowdy	Montoya	Walter
Durham	Morgan	Young
Fenton	Morris, N. Mex.	
Frazier	Morrison	

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. McCormack for, with Mr. Halleck against.

Mr. Keogh for, with Mr. Lafore against.

Mr. Morgan for, with Mr. Devine against.

Mr. Buckley for, with Mr. McIntire against.

Mr. Rooney for, with Mr. Pelly against.

Mr. Fenton for, with Mr. McGinley against.

Mr. Walter for, with Mr. Scott against.

Mr. Delaney for, with Mr. Taylor against.

Mr. Holtzman for, with Mr. Jackson against.

Mr. Jones of Alabama for, with Mr. Dooley against.

Until further notice:

Mr. Montoya with Mr. Gavin.

Mr. Morris of New Mexico with Mr. Martin.

Mr. Morrison with Mr. Riehlman.

Mr. McCORMACK. Mr. Speaker, I voted "aye." The gentleman from Indiana [Mr. HALLECK] is absent on official business. If present he would have voted "no." I have a live pair with the gentleman from Indiana, and therefore withdraw my vote of "aye" and vote "present."

The result of the vote was announced as above recorded.

# EMERGENCY HOME OWNERSHIP ACT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 10213) to amend the National Housing Act to halt the serious slump in residential construction, to increase both on-site and off-site job opportunities, to help achieve an expanding, full-employment economy, and to broaden home ownership opportunities for the American people.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 10213, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule the gentleman from Kentucky [Mr. SPENCE] will be recognized for 1½ hours and the gentleman from New York [Mr. KILBURN] for 1½ hours.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the three great essentials to civilized man are food, clothing, and shelter. The Government, recognizing that, has established a program to stimulate housing for its citizens through FHA insurance. It has made it possible for many of our citizens to obtain homes. Through VA direct and guaranteed loans our veterans have been helped.

This bill is to carry on further a general housing policy that has been established so that our people can obtain homes on fair terms and at reasonable rates of interest.

We all know that many of our citizens who have endeavored to purchase homes have been the victims of high discounts and high interest rates. I believe that the passage of this act will furnish some assistance to those people who desire homes.

I am not going to discuss the details of the bill, but I will say that I favor it.

Mr. Chairman, I now yield such time as he may desire to the gentleman from Alabama [Mr. RAINS], chairman of the subcommittee that reported this bill.

Mr. RAINS. Mr. Chairman, the bill before us today is H.R. 10213, which was reported by the full Banking and Currency Committee on March 15 by a vote of 18 to 7.

The bill has four main objectives.

First. It strives to help the consumer, the home buyers;

Second. It seeks to restore health and vitality to the key homebuilding industry;



Third. It seeks to be of help to a sagging economy; and

Fourth. It intends to help reduce the exorbitant and unconscionable discounts prevalent throughout the Nation on home loan mortgages and to reduce the interest rates which are at an alltime high.

Those are the primary purposes of the bill.

Listening to some of the debate on the rule, one would think that this is a new bogeyman with some kind of forked tail and horns, but actually this is the same kind of bill which the Congress over many times in the past has sponsored to help the homebuilding industry of this country.

It seeks to provide a revolving fund of \$1 billion for the Federal National Mortgage Association to buy mortgages on which the Federal National Mortgage Association will make a profit for the Government of the United States. This is not a raid on the Treasury of the United States; this is not a sop to some homebuilder; this is directly aimed at and intended to be of benefit to the lower income groups of America in getting a home. It is the same method that we have used over the years to raise the percentage of home ownership in this country from about 30 percent in the thirties to better than 60 percent today.

It has been one of the main weapons that has helped FHA to become one of the most highly respected functions of this Government.

This bill will not cost any money. FNMA pays all of its own expenses, including interest to the Treasury. In the last year alone it returned in profits to the Government \$16.3 million.

The accumulated net income of the Federal National Mortgage Association's special assistance program is \$33.9 million over and above all costs, administrative, of all types.

It is not socialism, because actually it is a support to the private industry market. It is not liked and revered by the money lenders, and I sometimes think this administration is full of them. It is not liked by the people who want to charge a \$1,000 discount on a \$13,500 loan and then collect interest across the board on the whole amount. Sure, they do not like it. But, it comes at a time when the housing starts of this Nation have been dropping every month from January and today are 20 percent below what they were a year ago.

Presently we are starting houses at the rate of about 1.1 million a year. Last year we built 1.35 million. And, I would like to point out that the thing that helped us to build 1.35 million last year was the 1958 bill, the prototype of this bill, because it took more than 6 months, from April 1958, to put that bill into full operation. So, the pride that the opponents of this legislation display over last year's record is chargeable in large degree to the legislation we passed in 1958.

Somebody said we are not in an emergency. Well, I believe it would be better to take action to bolster an industry that certainly is sagging—and nobody can deny that—than to wait until the floor

drops out from under it and more than half a million people are discharged from jobs in this country in the homebuilding and supplying industries.

I heard this morning that this bill would be inflationary and was labeled as a "spenders" bill. You know, when you get to the point where you call names and make statements that are totally irresponsible, it shows how completely in default and bankrupt the opposition to this bill is with reference to ideas. I would like to hear somebody answer the hard, cold facts of what we face up to, not what somebody writes in the paper about political "baloney" or "political payola"—nice brand names—but they do not get a home for your boys who want to buy one up to \$13,500, or \$14,500 in the high-cost range, where they cannot get it today.

I said awhile ago in the debate on the rule that the Labor Department, which makes our statistics now, said that one of the reasons for inflation last year—and I never hear my friends talk about inflation of interest rates, and I would just like to say parenthetically that the greatest inflation that has come to America under this administration—and do not forget that this fall when you walk across the hustings—has been in the inflation in interest rates on the backs of the little people of America.

The thing that is wrong with our economy today and the inflation proposition is the exceedingly high cost of money. Suits have been filed in the State of Tennessee and in the city of Baltimore in which the Attorney General is asking the FHA to be barred from doing business in the State because it violates the usury statute.

It is fantastic. And what can a fellow do, one who is on a salary, when he can pay only \$50 or \$60 a month on a house? How can he stand the high discounts and high interest rates? In the last 6 years this is what has happened. If you had built a house 6 years ago, the same house today would cost you \$4,500 more in interest. That is in interest alone. That would mean a bathroom and another bedroom. Now, where does that go? That does not go to the appliance dealers or the lumber dealers. That goes into the pocket of the money lenders of America. That is where it goes. And why? Because they have no competition and because the administration's hard money policy has driven interest rates sky high.

Sure, I realize that this bill will build only about 70,000 or 80,000 houses in this country, but that is a good many. But once you turn this money into the mortgage credit channels of the country—we tried it, not just in 1958, but year after year—you will see other money moving in at a reasonable price. I am not against people who are in the mortgage credit business. I think I can prove by the record that I am one of their best friends in helping them with the right kind of legislation.

But I am against the unreasonable interest rate squeeze that is being put on people who cannot pay, and this bill is intended to help relieve that situation. I do not know if you want to know what

the discount rates are in your town, but if you do, you can check a pamphlet that the Subcommittee on Housing has published in which we list practically every city in America, showing how much they are charging for discounts and interest rates in that city.

Somebody said that this would be inflationary, and would increase the cost of homes. That is absolutely not true. That is absolutely an irresponsible statement, because here are the figures. In 1958, after we passed a bill exactly like this bill, the cost of housing went down \$1,000 a unit instead of going up. The same thing will happen now if we enact this bill into law.

Now I would like to make this statement. We talk about how well we are doing in housing—and I know somebody will stick up his ears at this—and we are proud of the programs that we have. And they have been good. But do you know where we are actually with reference to housing? We are building fewer houses per capita today than we built in 1925. That is right, horse-and-buggy days so far as providing homes for the American people is concerned. We took a great step forward to get us out of the same kind of disparity on highways last year and the year before when we put in a multibillion program for highways in America. But we never seem to realize that the basic center of American citizenship is wrapped up in the homes of this country. I do not know how you feel, but I am frankly not interested in the political end of this for myself. I have been in politics a good many years. I have been sitting on this committee for 16 long years and I have brought bill after bill like this to the floor of the House.

I never yet have seen anybody suffer from casting a vote to help the people of lower incomes in America become home owners. I mean that sincerely. Whether it is politics or not, it is the thing nearest to their hearts.

Do you realize that out of the billions of dollars FHA has guaranteed in this country the nonpayment rate is less than one-half of 1 percent? I have some friends who tell me, "You are going to bust this Government sometime with all the guarantees you have on housing in America." Do you know that FHA through the operations of FNMA and other agencies has a profit of nearly a billion dollars over and above all expenses, lying over in the FHA treasury? Do you know also that it was by these methods we are talking about today that that came about? They charge us with fiscal irresponsibility, but what we are really doing is to make a nation of home owners out of the American people clear down to the little fellow who cannot pay up to \$35 or \$40 a month.

Mr. Chairman, talk about public housing. There is no public housing in this bill. I wish we could find a way to get housing for that income group without public housing. This is the closest thing you can get to it in the private-enterprise way. If you are not going to be for supporting and helping a man buy a \$13,500 home, do you want to put him in the poorhouse or do you want to put him in public housing? Or do you want

him to live in a cracker box or a piano case somewhere? There is no issue more dear to the heart of the average American than getting a home for himself and his family.

When I listen to all of this misleading propaganda that comes in about balancing the budget, let me say that this does not take any billion dollars out of the Treasury of the United States. It utilizes the money only as the mortgages are bought and the repayments are made and go back to the Treasury of the United States, with a profit. If you would believe some of the prophets of doom about the finances of this country that I have been listening to, you would think we were taking the taxpayers' money and building free houses for these people, and that they did not pay for them. I get tired of that kind of irresponsible talk. If a man does not know any better I excuse him, but I am sure these gentlemen know better.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from New Jersey.

Mr. WIDNALL. I would like to know where the billion dollars comes from if it does not come from the taxpayers.

Mr. RAINS. I did not say it did not come from the Treasury. I said it did not come all at once. It is repaid. It is not a grant. The Government is making profits out of the FNMA operations. Is not that right?

Mr. WIDNALL. That is true, but any part of it at all that is taken this year unbalances the budget by that much. Is not that so?

Mr. RAINS. That will be true. But always remember that the biggest unbalanced budget I have ever heard about since I have been here was in the year 1958. It came in fiscal 1959, as a matter of fact. My distinguished friend served on the committee and he understands and knows what this is all about. The thing that made that \$12 billion deficit in 1959—I do not know the exact figure, but that is approximately what it was—was the very thing we are trying to prevent with this bill, a decline in the gross national product caused by the last recession. You let housing starts fall below a million, and they are only 115,000 above it, and you will see every idea of a balanced budget go out the window.

We can only balance budgets in this country when people work. We can only balance budgets in this country when people make profits. We can only balance budgets in this country when everybody is employed. We cannot balance the budget by turning down legislation such as this which generates 10 times the amount of money for the building industry and all other kinds of activity that is involved than the legislation would cost. I tell you—you can laugh but you cannot prove otherwise—this is the best way to insure balancing the budget. We either go up or we go down and we are not going to sit exactly on the status quo. So this bill is not inflationary. This bill will not unbalance the budget. This bill will mean we will have a bigger surplus at the end of the year and, certainly, at the end of next

year than we will have otherwise if this bill is passed.

I mentioned the housing start figures a moment ago. They are at an extremely low point. Yet, I can remember when we had the hearings on this that the distinguished gentleman who is the head of the Housing Administration pooh-poohed the idea that they were going to drop and said they were going to go up. But the simple truth of the business is that some effort has been made to charge it all off to the weather—these people forget that the figures we have been talking about are adjusted for seasonal factors such as weather. Some effort has been made also to say that nobody wants this bill, which is a false charge. Some effort has been made to say that not even the homebuilders want it. I suggest that the gentleman from California read what the builders from Los Angeles and San Francisco said. I could suggest also that the gentleman from New Jersey interrogate good men like Mr. Mitnick, who was president of the National Association of Home Builders, and who is one of his distinguished compatriots. See whether they want it or not.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. McDONOUGH. I do not dispute the fact that the gentleman had testimony from the homebuilders in favor of this bill. As a matter of fact, if I were a homebuilder, I would be very much in favor of this bill. If I can sell my \$13,500 mortgage at par to the Government, I am going to sell as many of those mortgages as I can. Now I am not going to guarantee, if I do that, that the fellow who buys the house is going to profit one bit either by lower payments or a lower rate of interest or any better housing. I am going to take a profit out of it, and that is what this bill will do.

Mr. RAINS. We heard the gentleman or somebody make that statement this morning. That statement is in error. Certainly, I know the homebuilder is passing it on. I know that both the homebuilder and the high interest man is passing it on to the consumer. I know it because I have been through some of the situations myself. As I understand it, this bill would help to alleviate that kind of situation instead of making it worse.

Mr. Chairman, one other thing and then I am through. There are some items I want you to keep in your mind as you consider legislation this year. In March, and these are unassailable figures or I would not quote them because I have already learned long before now not ever to get up here and make a statement unless you can prove it. Unemployment in March was 4,200,000—only 3 percent below a year ago. And current unemployment on a seasonally adjusted basis equals 5.4 percent of the whole labor force and includes 1,200,000 men and women who have been jobless for 15 weeks or more. Average working hours in manufacturing declined for the third successive month. Press reports of layoffs in offices, plants and other industries are commonplace—read the

Wall Street Journal today or for any other day.

Business activity continues to show many serious weak spots with declines generally outweighing gains in recent months.

Total business inventories rose \$2 billion in the first 2 months of this year. These now amount to \$91.4 billion, nearly back to the level reached just before the 1957-58 recession. The replenishment phase is now over.

Overall industrial production declined in each of the past 2 months. The daily rate of auto output has dropped 17 percent since January, while inventories have piled up past the million mark. The steady drop in steel output has cut operations below 80 percent of capacity. The slow market for home appliances has cut sales of gas appliances, electric ranges, refrigerators, washers and dryers, all below year ago levels. At the same time, consumers have steadily gone deeper into debt. Outstanding consumer installment credit has jumped by more than \$5 billion over the past year. This is an increase of 16 percent—more than triple the rate of rise in personal income.

Farm income steadily slips lower. The annual rate in the first quarter of this year was only \$10.3 billion. This was 15 percent below a year ago and 20 percent below election time in 1958.

Total contracts awarded for all types of construction have trailed year-ago levels for the past 8 months. While most categories have shown declines recently, the sharpest drop has been in housing. The seasonally adjusted annual rate of housing starts in March—1,115,000—was down 20 percent or nearly 300,000 units from the year ago rate. Further declines are indicated by the low level of FHA applications—down 30 percent from a year ago in March—and VA appraisal requests—down 45 percent.

These factors have been clearly reflected in the stock market. The Dow Jones Index is now approximately 10 percent lower than last December and in this period the total value of stocks on the New York Stock Exchange has tumbled \$30 billion.

Main hope of the business optimists is now the forecast of plant and equipment spending. According to a Government survey, this would rise 14 percent over last year, but already doubts are being expressed about this forecast which was made very early in the year when optimism was the order of the day. Machine tool orders, usually an early indicator of any rise in this spending, have failed to increase, and at least one industry—railroads—has already lowered its sights.

Some newspaper reports have recently indicated a rise in department store sales. While it is difficult to adjust fully for the effect of Easter it should be kept in mind that these account for only 6 percent of all retail sales and do not necessarily indicate trends in the other 94 percent.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. WIDNALL. Why is it that any figure that shows an increase must be



explained away, while everything that shows a decrease is emphasized?

Mr. RAINS. I have not found a figure that shows any increase. I said it was expected there would be an increase around Easter, but I do not have the figures.

Mr. WIDNALL. I find it very difficult to follow the argument on the other side of the aisle many times, particularly with respect to the stock market. I remember that many decried an increase in the price of stocks and all the money that was being made in the stock market. Now the figures are being given today to show that everything is wrong with the United States because stock prices are going down. It is only off 6 percent. Do you want the stock market to go up and continue to go up?

Mr. RAINS. I am merely stating what the facts are in support of the case which I am presenting to the Congress. They are not warped. They are not twisted. The times are not what some people would have us believe they are. We need to pass this bill to prevent a recession so that you will have a surplus in the budget next year, not to mention the need to put the unemployed back to work.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. EVINS. I wanted to point out in connection with the testimony before the House Appropriations Committee, of which I am a member, the testimony of Mr. Zimmerman, Federal Housing Commissioner, page 923, a corroborating statement of the gentleman from Alabama. He has made a very interesting statement and we always listen to him with profit. Commissioner Zimmerman points out that the housing starts are not as much as they have been in the past, but he also disagrees with the high interest rate. He says that is the crux of the problem.

So this testimony before the Appropriations Committee corroborates just what the gentleman from Alabama has said.

Mr. RAINS. I appreciate the remarks of the gentleman.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield further?

Mr. RAINS. I yield.

Mr. WIDNALL. The gentleman spoke about the number of employed and unemployed in this country just a little while ago. I have figures which I am sure are correct which show the average number of people employed in the first quarter of 1959 as 63.1 million. For the first quarter of 1960 the figure is 64.3 million, or up 1.2 million from the previous year.

The average number of unemployed for the first quarter of 1959 was 4.6 million; for the first quarter of 1960 it was 4.1 million, or down one-half million or 10 percent from the previous year. This certainly seems to bear out the statement that 1960 is showing an improvement over 1959.

Mr. RAINS. The gentleman surely does not mean to insist that conditions are better now than in 1959.

Mr. WIDNALL. Yes.

Mr. RAINS. Why does not the gentleman stop to remember that he does not take into consideration the extra 2 million people who went into the labor market; what happened to them?

Mr. WIDNALL. These figures show there were a greater number of people employed.

Mr. RAINS. Does the gentleman mean to tell me he can feel complacent when there are over 4 million people unemployed; not to mention the million or more forced to work a reduced workweek?

Mr. WIDNALL. The last figures are 4.2 million. What I object to is the fact that the people throughout the country are told as a serious matter that we are going further and further on the downhill road, when as a matter of fact the reliable figures show there were in March 4.2 million unemployed. The head of one of the great labor unions of this country told the people of the country there were 5 million unemployed the very same night these figures showed there were 4.2 million.

Mr. RAINS. I was correct when I said the figure was 4.2 million, was I not?

Mr. WOLF. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. WOLF. I was wondering what happens to the people who are working 2, 3, 4 days a week, making sash and doors in factories in Dubuque, Iowa, and in the building industry in my district. Are they included in the number of unemployed?

Mr. RAINS. No, they are not, and the gentleman is correct to be concerned about the hardship these people are suffering.

Mr. WOLF. I was shocked just Monday of this week to discover that most of my building people who make sash and doors in Dubuque, Iowa, the largest industry in my district, are on a 2-, 3-, or 4-day workweek. Hundreds of them will be discharged. I thank the gentleman for what he has stated. I am very proud to be here to hear it.

Mr. RAINS. As I said in the beginning, when we bring in a measure to do something for our own people we are told we are putting the Government on the threshold of bankruptcy, yet in the past my distinguished friends on the other side of the aisle voted \$4½ billion of back-door spending. Last year for the World Bank, for all of the programs all over the world, they voted large sums of money. They also did it when they voted for the Farmers Home Administration, the St. Lawrence Seaway, the Export-Import Bank, the program of direct loans for veterans and, of course, the Federal National Mortgage Association.

Many of the foreign aid bills that we have—and one particularly last year, \$4½ billion—this is not the only one—went out of our committee, went zooming through the Rules Committee, went zooming out of this House, was signed by the President to give it away all over the world. I wonder, did they unbalance the budget last year? Will you ever get that back? Are not the American people a better risk than they are?

I want it understood I am one who votes for foreign aid, but at the same

time I am getting to the point where I want to think of our folks here at home along with the rest of them.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. MULTER. In his very complete and interesting discussion the gentleman overlooked another, the Inter-American Bank; and the administration is now urging the International Development Association, a division of the World Bank with obligations running into the hundreds of millions. Together with the gentleman I say let us do something at home now.

Mr. RAINS. I agree with the gentleman.

This bill is in the good American tradition of trying to do something with private enterprise to help build homes in this country.

Mr. Chairman, in concluding I would like to discuss in some detail the various provisions of the bill.

The heart of the bill, of course, is section 11 which authorizes an additional billion dollars for FNMA's program 10 operation to make par purchases and commitments of FHA and GI loans for the construction of low- and moderate-priced new housing. It is this provision which will supply a powerful stimulus in easing the mortgage credit famine which has been sorely afflicting homebuilding in many areas of the country. As preventive medicine, I can think of no more worthwhile form of Government investment.

As I have indicated previously, these mortgage purchases are not subsidies, they are not grants—they would represent riskless assets to be acquired by the Government which would be repaid with interest and would cost the Government nothing. And the benefits this investment will reap in my judgment will be incalculable. They will help restore health and vitality to residential construction; they will increase employment opportunities both onsite and off-site; and through the additional economic activity they will generate, and the consequent increase in tax income, they will benefit the Government as well as the health of the overall economy.

I think it important to emphasize also the indirect as well as the directly measurable effects of this additional billion dollars for the FNMA special assistance program. While directly this fund will stimulate the construction of from 70,000 to 80,000 dwelling units, expert opinion is convinced that the injection of this flow of mortgage credit on liberal terms will have a multiplying economic effect. I have been told by men who know in the building and mortgage industry that this fund would provide a powerful catalyst in increasing the availability of mortgage credit generally. They are convinced that the original 1958 program 10 had a powerful cumulative and reinforcing effect in giving a general stimulus to mortgage lending.

One amendment in the bill should be of particular interest to those who live in areas where housing costs are higher than the national average. While the present mortgage limit of \$13,500 would be retained, FNMA would be authorized

to increase that ceiling by an additional \$1,000 to \$14,500 in high cost areas. In addition, we have written in a high cost provision to permit program participation for Alaska, Hawaii, and Guam which are faced with unique problems of higher building costs.

There is an amendment in section 10 of the bill to make it clear that section 213 cooperative housing will be eligible for purchase by the additional \$1 billion fund authorized for FNMA's program 10 special assistance operation.

The bill would also restore for a 1-year period the par purchase requirement for all of FNMA's special assistance programs. These programs, which include urban renewal, cooperative housing, and others as well as program 10, have been designated by the Congress or by the President as deserving of special assistance. It is indefensible to permit the agency to continue to charge discounts in these special fields.

In addition, the bill for a 1-year period would establish a ceiling of 1 percent on the commitment and purchase charges which the association could make on special assistance mortgages—at present FNMA has set these charges administratively at 1½ percent. Also, to avoid excessive penalty to projects which do not go forward to completion for one reason or another, the bill would reduce the required initial payment for a commitment from one-half of the total charge to one-fourth of the total charge.

Mr. Chairman, I would like to emphasize that the bill contains safeguards to assure an equitable distribution of these loan funds. The bill would require the Association to allocate the funds in order to channel them to the maximum extent practicable into geographic areas where the problems of excessive mortgage discounts and the shortage of mortgage credit are most severe.

In order to guard against the possibility that a few builders might get a disproportionately large share of these funds, FNMA is also directed to establish regulations to provide for an equitable distribution of commitments.

One provision of the bill which would have an important effect in preventing a further deterioration of the mortgage market would prohibit FNMA from swapping mortgages for bonds for a 1-year period. This would be achieved by requiring sales for cash only and for a price not less than the cost of acquisition. Despite the unmistakable opposition of the Congress in the last session, and I would remind you that the Senate even passed a resolution condemning the policy, the administration persisted in carrying out its misguided policy of swapping FNMA-held mortgages for certain Government bonds. Apart from the debate as to whether this form of exchange results in a loss to the taxpayer, there can be no debate that in periods of mortgage credit shortage any action which would dump blocks of FNMA-held mortgages on an already saturated mortgage market is clearly indefensible.

Other amendments in the bill are designed to bolster the market support of FNMA's regular secondary market operations. In the first place, the bill would reduce FNMA's stock purchase re-

quirement from 2 percent to 1 percent, which should help minimize the burden of doing business with that agency. The second provision would prevent FNMA from arbitrarily refusing mortgages offered to it. Over the years we have heard many criticisms of this policy and I think it is about time we made it clear that FNMA should not attempt to second guess the FHA and VA, and it must be made willing to purchase at prevailing prices any guaranteed or insured mortgage, provided of course that the mortgage is not in default. Also FNMA would continue to have authority to limit the age of eligible mortgages.

We have also incorporated in the bill a provision which would include in FNMA's policy directives an emphasis upon the desirability of stabilizing the mortgage market. This should prove to be a helpful directive for FNMA officials so that in conducting their operations they can give more effective support to the mortgage price structure.

Other sections of the bill seek to offset the increasingly severe burden which spiraling interest rates have placed upon home buyers. One provision would give discretion to the FHA Commissioner to reduce the insurance premium to one-fourth of 1 percent. FHA now boasts total reserves of three quarters of a billion dollars and most experts believe that the reserves under section 203 are adequate to meet a major depression.

A special section would seek to bring relief to home buyers under the section 203(i) program. For this low-cost housing, as you know, the administration permits an additional one-half of 1 percent service charge, which, when added to the 5¾ percent interest rate and the one-half of 1 percent insurance premium, brings the total financing costs to those low income families to 6¾ percent. Frankly, I am appalled to think that the Government has permitted itself to get into a situation where it is actively encouraging lenders to gouge lower income families with a mortgage financing cost of nearly 7 percent. To restore some equity for this lower income group, my bill would set up a special \$50 million FNMA special assistance fund to which section 203(i) loans could be sold, provided a lender does not charge the one-half of 1 percent service charge.

Another important and unique feature of the bill would seek to increase the availability of FHA financing by permitting individuals to make FHA-insured loans. Presently, FHA-insured loans may be made only by incorporated lenders. By permitting individuals to participate, we hope to make the FHA program more effective, particularly in smaller towns and communities. Certainly we should leave no stone unturned in our search for means of increasing the availability of FHA financing. This provision has special importance in view of our growing need to find new sources of mortgage funds. It should be noted that the making of GI home loans by individuals has been permitted by the Veterans' Administration from the very beginning, and there has been no evidence of abuse.

Another important provision would set up an FNMA backstop to assure the avail-

ability of financing for the new section 810 off-base defense housing which we authorized in last year's Housing Act. Ordinarily it requires some time for new FHA programs to gain investor acceptance and to bridge this gap FNMA special assistance is needed. For this purpose the bill would authorize a \$25 million revolving fund for the purchase of section 810 mortgages.

Another section would make mandatory the acquisition of Wherry Act housing by the military if the housing is located at or near permanent military installations. Presently, acquisition is mandatory only where Capehart housing construction is going forward.

The bill seeks to impose some restriction on the excessive discounts charged on FHA-insured and VA-guaranteed loans. Section 14 would set up a new procedure which would require the lender in the case of each VA-guaranteed or FHA-insured loan closed to report to the appropriate agency the amount of the discount charged and against whom it was charged. By providing for full public disclosure the bill should exert a healthy pressure to prevent excessive discounts. We will also benefit by having a sensitive indicator of the trend in discounts which can serve as a guide to future legislative policy in any attempt to reimpose controls on discounts.

And finally, section 16 of the bill is designed to make sure that the housing needs of civilian space agency personnel will be met. The recent shift of certain missile development bases from the Department of Defense to the new civilian space agency, the National Aeronautics and Space Administration, has denied the employees of the new agency the benefits of section 809 financing, a result of course which no one intends. The bill would make it clear that NASA personnel in these installations would be eligible for the benefits of section 809 financing.

Mr. Chairman, this concludes my remarks both of a general nature and in detail on the bill now before us. I think the immediate passage of this bill is imperative and because it is so greatly in keeping with the demands of our public welfare, I urge every Member to give it his support. Clearly no one should oppose the objectives of the bill which are powerfully and succinctly stated in the short title as needed to "halt the serious slump in residential construction, to increase both on-site and off-site job opportunities, to help achieve an expanding full employment economy, and to broaden home ownership opportunities for the American people."

Mr. BARRETT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Chairman, the need for better housing for all Americans is greater today than in any period of our Nation's history. Therefore, I sincerely hope our colleagues will unanimously vote for the passage of H.R.



10213, the Emergency Home Ownership Act. I personally strongly favor this bill because it will provide additional jobs for our unemployed and, at the same time, will grant home ownership to those families who for years have been unable to buy because of high prices and high interest rates.

This bill will be of special benefit to the residents in the First Congressional District of Pennsylvania because, among other things, it will permit them to buy homes at lower monthly payments.

I have talked with many civic and religious organizations and individual citizens about the housing problems facing us today and all agree that some positive legislative program must be established to provide modern, low-cost housing for our American families. This is particularly true in south Philadelphia where the demand for housing is desperate. While great strides have been made in the past few years to clear our slum areas and provide low-rent public housing, many Philadelphians are still finding it very difficult to find decent homes.

This is especially true in the large family class where a father and mother have the responsibility of properly raising five or six or seven children—and how can this be accomplished if the family is forced to live in a slum area simply because the rent is cheaper? This atmosphere is certainly not desirable for young, growing children, and surely the parents are not to be condemned because they cannot afford to buy a home. What can they do? All the public housing projects have long waiting lists for large family units. Private landlords are asking unreasonable monthly rentals for average living quarters, and in many instances will not take a family with more than two children. This is the problem facing not only the residents of Philadelphia, but the majority of low-income families throughout the United States.

Mr. Chairman, as representatives of the people, we cannot sit idly by while these very same people suffer. We cannot afford to wait until economic conditions improve. We must take immediate action to stimulate our rate of economic growth so that all Americans able and willing to work can find gainful employment.

One of the weakest spots in our economy is the decline in the homebuilding industry, and the bill before us now will give this industry a much needed shot in the arm by providing \$1 billion in funds to purchase FHA and GI loans on lower priced housing.

Our homebuilding industry, comprised primarily of small business firms, is one of the Nation's largest. The building of homes the average American family can afford will create hundreds of jobs locally. The unemployed who need work, but cannot find it, will be offered many job opportunities. The economy of the area will become sound. And the people will be given the opportunity to buy a home.

Mr. Chairman, no intelligent man or woman can possibly find fault with the desirable objectives of this bill. I urge its immediate passage.

Mr. McDONOUGH. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Chairman, this bill lays the spending issue squarely before the Congress.

If you want to be known as an irresponsible spender—vote for this bill.

If you want to be known as a budget buster—vote for this bill.

If you are for fiscal irresponsibility—vote for this bill.

If you want to socialize mortgage credit—vote for this bill.

If you think the taxpayers should subsidize about 3 percent of the home buyers this year—vote for this bill.

Over \$30 billion of mortgage credit will be used this year.

Those are the issues raised by this legislation.

Rollcall votes on this measure will make clear to the taxpayers where you stand.

I am against this bill and I urge that it be defeated.

Mr. McDONOUGH. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, I always enjoy hearing my friend from Alabama with whom I have served on the Subcommittee on Housing since its inception. He is sincere, he believes in what he says, he is devoted to many fine principles with which I agree. But I think he is being led up a dark alley in this bill because the statistics he read to you concerning unemployment and the present economic situation in this country, the gross national product, discounts on mortgages, and the effect it is having on the small wage earner gives the impression that this bill is going to cure all of those problems. It is not going to make the slightest indentation on that.

The billion dollars authorized in this bill is for the purpose of purchasing through FNMA mortgages not to exceed \$13,500 and \$14,500 in high-cost areas. If the whole amount were used, and that is doubtful because in the last attempt we made to provide special relief for homebuilding, only 85 percent of the billion dollars that the gentleman referred to that we passed upon 2 years ago, was used. The situation economically in the country was far worse than it is today. But if all the amount that this bill provides were used it would build only 70,000 housing units at the rate of \$13,500 or \$14,500. That is out of an anticipated annual total of, we will say conservatively, 1.1 million homes this year. Is that going to restore the situation so far as the employment level is concerned all over the country? I am sure he cannot leave that impression with anyone and make it stick, because it is not going to do that. It is going to pump a billion dollars into the investment market in this country, which will interfere with the depositors in savings and loan associations, it will reduce the possibility of return on money invested by many small wage earners in various ways. It will impose upon them a tax obligation to pay this billion dollars back because there is no other place to obtain the billion dollars except from

the Treasury of the United States. It will add to the national debt and it will add to the further tax obligation of everyone.

I want to quote from a statement that the Senator from California [Mr. ENGLE], formerly a Member of the House, now a Member of the Senate from the State of California, made at a meeting in California recently of the California Savings & Loan Associations specifically about this bill. If this bill should pass the House, Senator ENGLE will have to vote on it, and he will undoubtedly express his views on the Senate floor at that time. He said, and I quote:

On the House side in Washington this session Congressman ALBERT RAINS, of Alabama, has introduced a bill to provide for \$1 billion worth of Treasury money to be available to FNMA to be used for FNMA purchase of VA mortgages and FHA-insured loans at par.

It seems doubtful that this will pass, for two reasons. First, unlike 1958, when the last such transfusion took place, we do not today have a general economic recession. Second, again unlike 1958, housing starts have not dropped to 900,000, or any other figure at which the situation seems critical for the housing industry. So this year, the Rains proposal does not enjoy the same broad base of support that a similar measure did 2 years ago.

Even if it did become law, it still would not provide the answer. Based on our experience in 1958, California would get about 8.7 percent of the appropriation, or \$87 million. But now, as then, we are building about 13 percent of the houses in the country, and I calculate our State's total need to be in the neighborhood of \$2¼ billion. This is more than twice the total amount contemplated by the Rains bill, if we got it all, instead of less than one-tenth of it.

This is an indication of what a futile effort this is to relieve the unemployment situation.

There is no complaint, so far as I am concerned, from people by mail or otherwise, that the home buyer is complaining about not being able to buy the house he wants, the downpayment, the rate of interest, the maturity of the mortgage, and so forth. This bill has been pending before the Congress since January, and the only appeals I have had for its passage have been from a few builders, homebuilders, in California; nothing from home buyers. Therefore, I believe that we should, if we are going to pass any legislation at all, consider the taxpayer on the broad basis, the home buyer, rather than the homebuilder.

Take the automobile industry. My friend the gentleman from Alabama [Mr. RAINS] read the figures recently about the high inventories in automobiles. We are producing more automobiles this year than we did last year up to the present time, but is there any attempt to ask for a Federal subsidy to take care of these million cars that are in the inventory? Is there any legislation pending here to prevent the car buyer from becoming a victim of a high discount on the paper that he has to assume when he buys an automobile? Why should this apply in this instance if it does not apply in the other? And if we attempt to get into it here, in my opinion we are approaching Federal subsidies, socialized housing, or any other type of subsidy where we use Federal funds to help the

homebuilder. Public housing is close enough to socialized housing. When we say we are going to provide for the homebuilder par value for all the mortgages that he offers to FNMA, then we are giving him an advantage that the other conventional investment house and the purchaser of a house on a conventional loan basis does not enjoy.

Here is another effect this bill will have. At the present time the builder who sells a mortgage to FNMA must pay 2 percent of the mortgage in stock.

When we passed the bill in 1954 the purpose was to get ownership in FNMA into the hands of the public. That has gone on for some time. There are a great many stockholders in FNMA all over the country. They are not only obtaining a profit from the purchase of stock in FNMA, but it has become an item of consideration on the stock market.

This bill reduces the obligation to 1 percent. That penalizes the people who have already bought stock in FNMA.

Another thing this bill would do that we have not considered necessary heretofore in all of our legislation on housing, is to make FNMA a primary mortgage market source. It is a secondary mortgage market source and we are making it a primary market and pumping \$1 billion into the investment field, giving to a selected few—because it will only be a selected few who will profit from this—the advantage of par value for the mortgage it sells to FNMA, and denying that to the conventional loan.

There are many other features about this bill. This bill weakens the FHA because it grants authority to reduce the percentage of premium paid to one-quarter instead of one-half, which is now the law on FHA loans. In my opinion, this is the first step toward the possibility of federalized, socialized housing. I do not think we should take that step because the problems we face today in the shortage of housing starts have been caused largely by weather from which we have not yet recovered. In my opinion, if we should wait another 2 or 3 months we will be out of what the gentleman from Alabama [Mr. RAINS] claims is a recession, which claim I do not agree with. If we allow time to pass to a point where this activity will recover, we will not have to obligate the American public by \$1 billion to buy mortgages for a selected few homebuilders.

The CHAIRMAN. The time of the gentleman from California [Mr. McDONOUGH] has expired.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I, too, have a great deal of respect for my colleague, the chairman of the Special Subcommittee on Housing, the gentleman from Alabama [Mr. RAINS]. I have served with him since 1952 on that special committee and I know how earnestly he tries to provide for the housing needs of this country. I do not like to take a completely opposite stand to his on any bill because I do respect him so much. But I think this bill is completely uncalled for. There is nothing in the record to indicate any need for such legislation.

Before the Committee on Rules I characterized it as the most amazing piece of legislation that has come to my attention since I have served as a Member of the House, having come here in 1950. This bill is a bill that nobody wants, and just a few people seem to be in back of it. Whenever major legislation comes before the Housing Subcommittee, as a senior member of that committee I am normally flooded with appeals for the passage of that legislation. Those appeals come from special interest groups and they also come from the public at large. Up to the time that I appeared before the Committee on Rules I had not had a single request from anybody for the passage of a piece of legislation involving \$1 billion of the taxpayers' money. What I emphasized to the Committee on Rules and what I reemphasize again to the House is this.

Only recently members of the Building Trades Union came to my office in connection with legislation that they felt it was important to pass during the current session of the Congress. They believed this legislation was important to the members of unions and legislation important to all the American people. They spoke about the minimum wage, they spoke about "situation" picketing, they spoke about the extension of minimum wage coverage, but not one single word was said about a \$1 billion bill that, if you are to be persuaded by the arguments of the majority chairman, is wanted to keep the building trades people employed in the United States to the extent of 300,000 to 500,000.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I am pleased to yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I am interested in the gentleman's observation on the interest in the bill. I cannot refrain from remarking that the lack of attendance on the floor of the House during debate on this \$1 billion bill is a pretty good indication of the lack of interest in this legislation.

Mr. WIDNALL. I thank the gentleman for his comment. There are probably a few more people here on the floor of the House now on the Democratic side of the aisle than have corresponded with any Member of the House on that side with respect to this bill, other than the chairman of the Subcommittee on Housing.

There are several methods of measuring activity in the housing field. No one of these is all inclusive. Each serves some useful purpose but each also has its limitations. To arrive at a balanced judgment requires consideration of all of them.

One method of measurement to which reference is frequently made is the series known as private nonfarm housing starts. This series is compiled monthly and adjusted on a seasonal basis to arrive at an indicated annual rate of production of new housing units. It is arrived at by a sampling of building permits in about 7,000 local governmental jurisdictions. Adjustments are made for a time lag between issuance of permits and start of construction,

and for permits not used. The result is an estimate of units started in permit-issuing places. To this is added an estimate for nonpermit areas to arrive at a figure for private nonfarm housing starts. Adjustment is made for a seasonal factor and the result is then multiplied by 12 to arrive at the annual indicated rate of starts.

Now, let us see what has been happening to this series. In October 1959 the indicated annual rate of starts was 1,180,000 units. In November this increased to 1,210,000 units, and in December it moved to 1,330,000 units. At the time of the subcommittee hearings on this bill the very good December figures had just become available. Here is what the chairman of the Housing Subcommittee had to say:

Far too much is being made of the fact that the seasonally adjusted annual rate of housing construction rose during the month of December, the latest month for which statistics are available.

For January, the start level dropped back to 1,216,000 units and in February to 1,115,000 units.

Then the chairman of the Housing Subcommittee issued another press release in which he stated:

The February housing starts figure just released underscores the need for immediate mortgage credit legislation to shore up a sagging key industry.

I just do not go along with seeing no good in the good and only bad in the bad. I think we have to be a bit more consistent than that. March starts held steady at the February level of 1,115,000 units.

In making any comparison between figures, it is important that we consider how they are used. For instance, if you compare the indicated annual rate of starts of 1,148,700 units based on results for the first quarter of this year with those for the first quarter of 1959, you will find they are down 17.3 percent from the indicated annual rate of 1,290,000 units for the first quarter of 1959. Now that looks pretty bad. But the 1959 first quarter rate was the highest first quarter rate on record. Let us see what happens if we compare the first quarter rate for 1960 with the first quarter rates for other years.

Compared with 1958, the 1960 starts are up 20.8 percent.

With 1957, up 21.7 percent.

With 1956, up 0.9 percent.

With 1955, down 17 percent.

With 1954, up 3.1 percent.

With 1953, down 2.7 percent.

In other words, the 1960 performance is about average rather than the poor performance indicated by a comparison with just the 1959 record rate.

In the course of this debate, we will hear much of the impact of the declining starts on the employment situation and activity in the building materials field. Obviously a statistical series on building permits is a poor measure of the impact on employment and the materials industry. There is another series far better adapted for measuring such impact. This is the Department of Commerce tabulation on expenditures for new



construction. Dollar expenditures directly reflect payments for wages and materials. The seasonally adjusted annual rate of expenditure for new private nonfarm residential construction in the first quarter of 1959 was \$21.9 billion. For the first quarter of 1960, the rate was \$21.2 billion. That is a decline of only 3.2 percent. By no stretch of the imagination is that very modest decline cause for alarm over the plight of labor and material distributors in the home construction field.

Another measure of housing activity is the series on heavy construction contract awards. The Engineering News-Record, a McGraw-Hill publication, compiles a weekly record of heavy construction contracts awarded in 50 States. Only mass housing contracts are included in the series and these large housing project contracts currently account for about 25 percent of the total to date. For the first 16 weeks of this year; namely, for the period ending April 21, 1960, private mass housing construction shows a whopping big gain of 39 percent over the figures for the comparable period in 1959. For all types of heavy construction, the contract figures show a gain of 7 percent for the 1960 period over the 1959 period.

There is still a different way of appraising the position of housing. This is a practical approach. Just notice as you drive home to your districts the miles upon miles of new housing projects and even whole new communities under construction. There just is not gloom and doom in the housing industry. When I first came to Congress, I used to drive between cities and communities. Now when I come down from New Jersey, much of the way is through continuous urban development.

We have made tremendous progress in housing over the past 10 years and 1960 promises to be at least an average year. Even if you take the most unfavorable figures upon which to base your judgment, namely, housing starts, this is still true. Over the past 10 years, housing starts have averaged 1,159,100 units. The first quarter 1960 annual rate is 1,148,700 units. Personally, I think the production for the year as a whole will be above that level and I think the opinion of the experts that housing starts will total 1,200,000 units this year is a conservative estimate. I base that opinion on two things. Employment is at record levels and money markets have eased, making mortgage credit more readily available. In 1959, the Federal debt increased by \$7.9 billion. It represented a huge drain of funds from the private capital markets. In 1960, the prospects are that Federal Government financing, in place of draining funds from the private capital markets, will be returning funds to the private markets through a reduction of approximately \$2 billion in Federal debt. That is a net favorable shift in the impact of Government financing of almost \$10 billion. This bill in itself would require a billion dollars of Government expenditure for the purchase of mortgages. In other words, it would use up 50 percent of the prospective \$2 billion return flow of funds from

the Government market to the private capital market this year. Its principal effect would be to substitute Government financing for private financing in the home building industry. That would be fiscal folly in the name of a nonexistent emergency.

The savings picture seems to be improving. March was the first month since the end of 1958 with a monthly net savings inflow at mutual savings banks above the year-ago level, by 2 percent, and the net savings inflow at savings and loan associations—preliminary—was up 6 percent. In February, the net gain in total assets of life insurance companies was greater than a year ago by 6 percent.

At the same time, nonhousing capital demands are running below year-ago levels. Thus far in 1960, new capital issues and private placements of corporations are down by about 10 percent and State and local government issues by about 12 percent from the comparable period of a year ago. The magnitude of Treasury net borrowing and mortgage requirements have also been appreciably below 1959 levels.

In the mortgage market this has been reflected in February and March increases in the proportion of areas with adequate funds for FHA-insured loans as reported by FHA and VA for the standard sample areas and by FNMA for a group of identical areas. At the end of March, FHA and VA showed an adequate supply of such funds in 63-68 percent of the areas, while FNMA reports—for a greater number of areas, including smaller areas—showed an adequate supply in only 30 percent of the areas. With respect to funds for VA loans, an adequate supply was indicated by FHA and VA reports in 16-18 percent of the areas and by FNMA reports in 4 percent of the areas.

The Chicago, Fort Worth, and San Francisco regional offices of HHFA, all commented upon increased availability of mortgage loan funds at savings and loan associations, primarily for conventional loans.

Outstanding Federal home loan bank advances continued to decline, from \$1,628 million at the end of February to \$1,520 million at the end of March. During the first 3 weeks of April, three of the banks—Cincinnati, Des Moines, and Topeka—reduced their rates on secured short-term advances to 4¾ percent, from 5¼ percent in two instances and from 5 percent in the other. This makes a total of six home loan banks that have reduced their rates on advances in the past 2 months. During April, the Federal home loan banks redeemed the entire issue of \$247 million in 4.65 percent notes that came due. Another issue of \$240 million at 5½ percent becomes due on May 16.

In February and March, the 8-month increase in the private secondary market discounts on FHA-insured loans was reversed, although the reduction of discounts thus far has been very slight—from an average of 3.7 points to an average of 3.5 points. Nevertheless, the continued increase in availability of funds makes it likely that some funds would be available for FHA-insured

loans with lower downpayments than are now permissible. This would lend support to housing demand.

#### FHA APPLICATIONS AND VA APPRAISAL REQUESTS FOR NEW HOMES

On a per-workday basis, FHA new home applications increased 13 percent and VA new home appraisal requests decreased 13 percent from February to March. After seasonal adjustment, the FHA application volume showed a 2-percent decrease.

#### HOUSING STARTS

From February to March, the seasonally adjusted annual rate of private nonfarm housing starts remained unchanged at 1,115,000. If the unusual winter weather in February and March caused a greater than normal lag in the use of building permits issued in those 2 months, there may be some offsetting reduction in April building permits and, consequently, in the estimated seasonally adjusted annual rate of starts in April.

Of the total private starts in March, 23 percent were FHA, 6 percent VA, and 71 percent conventional. A year ago, when total private starts were 26 percent greater, the breakdown was 25 percent FHA, 8 percent VA, and 66 percent conventional.

In December and January, the latest 2 months for which figures are available, multifamily housing starts accounted for 19 percent of total private starts, compared with 15 and 16 percent, respectively, in October and November and with 20 percent in January 1959.

I would like to read to you at this time an important editorial from the New York Times of February 13, 1960:

#### NEW MORTGAGE BILL

A new housing bill introduced by Representative RAINS of Alabama, has been approved by a subcommittee of the House Banking Committee. This proposed measure would not only call for the pumping of an additional emergency \$1,050 million into the residential mortgage market under the special assistance program of the FNMA (Fanny May); it would at the same time alter beyond recognition the character of that secondary market for Government-insured residential mortgages.

Neither of the two implicit assumptions underlying the proposal to pump this huge additional sum into the market for residential mortgages will stand even superficial examination. One of them is that the economy is faced with an emergency that calls for such stimulants as this; the other is that the residential mortgage area is getting less than its fair share of the available supply of capital funds.

So far as the state of the economy is concerned, it is such as to indicate that the proposal to blow up mortgage demand artificially would not only be potentially inflationary on the demand side (for residential building has an exceptionally high multiplier effect on municipal and private spending) but it would lop off at a stroke nearly one-fourth the hoped-for surplus in the 1961 Federal budget. As to the lack of funds available for residential mortgages, this is true only if one believes that the Nation has a responsibility to maintain the supply of such funds at all times at a figure equal to or exceeding the recent previous high.

But more serious, perhaps, even than the provision for this huge sum itself are the terms on which it would be provided. For

a year after the enactment of this suggested legislation it would, among other things, direct the FNMA to purchase any kind of Government-underwritten mortgages so long as the title to the property was not in doubt; it would forbid the latter to dispose of any mortgage; it would prohibit it from paying less than par for any mortgage, and it would freeze the premium charge (which is now discretionary within a range of  $\frac{1}{2}$  to 1 percent) to  $\frac{1}{2}$  of 1 percent. (It is out of this premium that the reserve is created on which the Government Insurance is based.)

In short, Fanny May would be transformed overnight from a revolving fund designed to provide a secondary market for insured mortgages on time when other purchasers were not available to a priming market that would buy all mortgages offered at fixed prices, presumably above the true market price, and at the same time be prohibited from liquidating any mortgage presently held.

I have had some figures prepared addressed to, "Where is the emergency?" Incidentally, we on this side have been hit time and again by those on the other side of the aisle with the charge of using a Madison Avenue approach to politics. If ever there was a Madison Avenue approach to politics, it is with the slogan "Emergency Home Ownership Bill" that is being used on this bill when there is no emergency.

First. Number of private nonfarm housing starts on adjusted annual basis: First quarter 1959, 1,390,000 units—all-time high; first quarter 1960, 1,148,700 units; decrease 241,300 units, or down 17.3 percent. Average annual rate past 10 years, 1,159,100 units.

Second. Value of new private residential nonfarm construction on adjusted annual basis: First quarter 1959, \$21.9 billion; first quarter 1960, \$21.2 billion; decrease, \$0.7 billion, or down 3.2 percent.

Third. Value of total new private construction on adjusted annual basis: First quarter 1959, \$39.7 billion; first quarter 1960, \$40.4 billion; increase, \$0.7 billion, or up 1.8 percent.

Fourth. Value of gross private domestic investment, including producers durable equipment and change in business inventories, on adjusted annual basis: First quarter 1959, \$70 billion; first quarter 1960, \$77.5 billion; increase, \$7.5 billion, or up 10.7 percent.

Fifth. Average number employed: First quarter 1959, 63.1 million; first quarter 1960, 64.3 million; increase, 1.2 million, or up 1.9 percent.

Sixth. Average number of unemployed: First quarter 1959, 4.6 million; first quarter 1960, 4.1 million; decrease, 0.5 million, or down 10.9 percent.

Seventh. Percent unemployment on seasonally adjusted basis: First quarter 1959, 6 percent; first quarter 1960, 5.1 percent; decrease, 0.9 percentage point.

Eighth. Labor income on adjusted annual basis: First quarter 1959, \$260.6 billion; first quarter 1960, \$279 billion; increase, \$18.4 billion, or up 7.1 percent.

Ninth. Total personal income on adjusted annual basis: First quarter, 1959, \$371.8 billion; first quarter, 1960, \$393.1 billion; increase, \$21.3 billion, or up 5.8 percent.

Tenth. Gross national product on adjusted annual basis: First quarter, 1959,

\$470.4 billion; first quarter, 1960, \$498.0 billion; increase, \$27.6 billion, or up 5.9 percent.

Just where is this emergency? I certainly do not find it in our economy. But wait, here it is. I have one more set of figures. They deal with the public debt of the Federal Government. In March of 1959, it was \$282.2 billion. In March of 1960, it was \$287 billion or an increase of \$4.8 billion. My colleagues, that is where the emergency exists. That is an emergency we must do something about. We must get control of Government spending, and this bill is a good place to start. We have heard remarks that a projection was made of \$540 billion to \$550 billion as the gross national product this year. I never heard those figures mentioned by any economist who testified either before the Joint Economic Committee or before the House Committee on Banking and Currency or before the Subcommittee on Housing. We have been told, and the record will bear it out, that for the first time in our Nation's history the gross national product of the United States will be over \$500 billion. That does not sound like the situation that the apostles of gloom and defeat would have you believe, that the country is going to the dogs and that it is going down hill so fast that we have to pull all these emergency measures out of the slot and try to do something about it. I would be the first one to admit, as I am sure many others on our side of the aisle would be willing to admit, that if the country was in a recession or was pointed toward a major recession we would be the first ones to back this type of legislation. Many of us supported the legislation offered in 1958 which took effect in 1959. We felt at that time we were entering into a period of recession and it required some major attention. There is absolutely no comparison between the economic condition of this country today and the economic condition at the time we passed the other \$1 billion bill. I take issue with the statement that this costs nothing. It takes \$100 million or \$200 million or \$1 billion or whatever is spent out of the amount that will be authorized in this bill, out of our budgetary balance, the hard fought budget surplus that President Eisenhower has envisioned for the country this year. And there are other bills that are pending that would do the same. We are headed once again into deficit spending, inflationary measures that will push up costs and devalue pensions and cause serious hardship for millions of our people. Too much is dependent upon the leadership of the United States throughout the free world to treat our responsibility lightly. It is all very well that you want to be all things to all people and you want to provide some cheap housing for people. But, I challenge the statement and the claim that cheap housing is provided by this bill for low-income groups. As an example I cannot envision a person in the city of New York being helped by this legislation.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, I hope it will not be necessary for me to use more than a few minutes of my time. I think it is rather obvious that regardless what we say this afternoon, our minds are completely made up and facts will not disturb anyone. I would like to quote, if I may, from a distinguished Member of the other body, the chairman of its Committee on Banking and Currency, the Senator from Virginia, who on January 13, 1960, had some rather interesting, and at this time I believe we could say pertinent, remarks about the housing issue. He said:

The most effective way, I think, for the Congress to reduce the ups and downs in housing aside from the elimination of the statutory interest rates on FHA and VA mortgages would be to balance the Federal budget. An unbalanced Federal budget means that the Treasury must go into the capital market and borrow billions of dollars, in competition with other users of money. The \$12 billion deficit of the fiscal year 1959 imposed on capital markets a drain which could not help but push interest rates up substantially.

I think it would be wise for you gentlemen who are going to jam through this inflationary housing bill to heed the words of wisdom of the Senator from Virginia.

In all of this discussion I am mindful of the fact that about 4 months ago, when we started discussing the Emergency Housing Act of 1960, we were told that the emergency was caused by a little thing called tight money. Four months later we find that tight money is no longer with us but supposedly the emergency is, but the plain matter of fact is that savings and investments by the people in this country have solved the problem of tight money and we do not need the injection of a billion dollars into the housing market. The natural flow of savings and investments solves the tight money situation.

Also I would like to point out that if we assume that the anticipated number of housing starts in 1960 constitute an emergency, then we have had an emergency in housing in 7 of the last 11 years. I understand this is the third emergency housing bill. Supposedly there were similar emergencies in 1949, 1951, 1952, 1953, 1956, and 1957, which were solved without an emergency housing bill. I think it is obvious to all of us that this legislation is purely political and completely unnecessary. I believe we are all aware that we are going to pass this uncalled for bill and if the other body passes it, the President will then veto it and then the taxpayers will have a sigh of relief because the spenders will have once again been defeated, and the country spared from the ill effects of this inflationary proposal.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield.

Mr. McDONOUGH. In your study of the bill and in the business in which you are engaged can you inform the Committee if there is any place where the homeowner is going to profit by this deal of selling mortgages to FNMA?

Mr. DERWINSKI. No. This bill will not help the home owner. That reminds



me of another matter, for which I thank the gentleman.

There is one additional point that I wanted to make. Earlier this afternoon the chairman of the Housing Subcommittee said his remarks were to be non-political. Actually, his remarks were political and failed to prove the need for this legislation. The charge was made that homebuilders were demanding this legislation. Representing the Chicago area, I have been unable to find any builders in the Chicago metropolitan area who are here demanding this legislation. As a matter of fact, at a recent national convention of the homebuilders, Chicago area and Midwest builders waged a tremendous battle in which they fought to stop the demand for artificial and inflationary use of funds from the U.S. Treasury. Certainly, if the majority of homebuilders, and the other segments of the housing industry and for that matter the home-buying public, are not asking for this legislation it would be an act of irresponsibility for the Congress to pass it. Regardless of the phoney title, this bill would aggravate rather than help the housing industry of this Nation. Home ownership for more Americans will continue to develop when we have less rather than more Government interference with the supply and demand and the desires of American families for a continued improvement in housing standards.

Mr. BROWN of Georgia. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. RUTHERFORD].

Mr. RUTHERFORD. Mr. Chairman, I would like to urge all of my colleagues to support the bill now before us. The need for this bill has long since been proved. Last fall the Subcommittee on Housing, of which I am proud to be a member, undertook two studies which demonstrated conclusively that the tight money policy was having a serious adverse impact on the homebuilding industry. The use of second mortgages and other questionable financing practices was becoming widespread and discounts on FHA and VA loans had become prohibitive in many areas of the country. The recent trend in housing starts confirms those findings. Once again residential construction is being choked off by high interest rates and a shortage of mortgage credit. Last month we were building new homes at an annual rate of only about 1.1 million units, down 20 percent from a year ago.

Mr. Chairman, I am at a complete loss to understand the administration's objections to this bill. One would expect that they would have taken the lead in requesting legislation of this nature. That would certainly be called for by the policy directive which the Congress included in the Housing Act of 1949. Mr. Chairman, I would like to remind my colleagues of what that policy statement said. For one thing, it calls for a level of housing production sufficient to "enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power." Further on it calls for "the stabilization of the housing indus-

try at a high annual volume of residential construction."

Mr. Chairman, we have learned that we can disregard this statement of policy only at our peril. The dropoff in homebuilding activity was a major contributor to the severe recession of 1957 and 1958. By the same token, the rapid recovery in housing starts that followed the enactment of the Emergency Housing Act of 1958 deserves a good deal of credit for our recovery from that recession.

Now once again we have seen a sharp decline in residential construction along with weakness in other parts of the economy and a rise in unemployment to more than 4 million. I believe that even the administration would have to agree that a rise in homebuilding activity would be extremely desirable right now. I also believe that the approach taken in the bill now before us is the right one. I do not believe that the policy of wait-and-watch-and-hope is enough to cure the present slump in homebuilding. Furthermore, I absolutely reject the administration's contention that higher interest rates are the answer.

For 7 years now we have witnessed a steady rise in the cost of money. We are continually told that somehow higher interest rates combat inflation. The plain truth is that higher interest rates themselves are an important part of the high cost of living. Nowhere is this seen more clearly than in the case of housing. Let me take the case of a family who can afford to pay \$75 a month on a home loan. Back in 1952 when the GI interest rate was 4 percent this family could afford a mortgage of \$15,600. Today, because the interest rate has risen to 5½ percent that monthly payment will carry a loan of only \$13,500. As a matter of fact GI loans are simply not available in many areas of the country.

If this family tries to buy a home under FHA today they will find that that \$75 payment will now carry a mortgage of only \$12,000. This, to me, is the cruelest form of inflation because it means that lower income families are the first to be squeezed out of the market. In the example I have just cited, that family would have lost \$3,600 worth of house just so they can have the privilege of paying these higher interest rates, still in the name of fighting inflation.

Mr. Chairman, we could go on raising interest rates endlessly and the average homeowner will never be able to meet the competition in the money market. After all of these increases in interest rates we find that mortgage discounts are as high as ever. In my own State of Texas even the Federal National Mortgage Association charges a discount of 5½ percent on GI loans and in many States the discounts are even deeper. It is obvious that few builders can operate under these terms and the result has been a sharp drop in activity under the FHA and VA programs which supply the bulk of lower-priced new homes.

The demand for new housing is still extremely strong. The principal cause of fluctuations we have seen in hous-

ing starts has been changes in the flow of mortgage credit. Our main weapon to assure a continuing high flow of mortgage credit is the Federal National Mortgage Association, in particular its special assistance functions. Unfortunately, too many people, including the administration, have forgotten that the law directs the Association to buy mortgages as needed "as a means of retarding or stopping a decline in mortgage lending and homebuilding activities which threatens materially the stability of a high-level national economy." This is exactly the problem confronting the Nation today and this is exactly the purpose of this bill, especially in the provision of \$1 billion for FNMA purchases of FHA and GI loans on lower cost housing.

The decline in residential construction has a particular importance to my area, as it does in other growth areas around the country. In order for business and employment to expand in the newer sections of our Nation it is necessary first to provide adequate housing. When that cannot be provided at prices and mortgage terms within the reach of the average family we find that our growth is stifled.

The need for the Emergency Home Ownership Act is urgent on every point. It would provide a much needed stimulus to all sectors of the economy and would help put some of the more than 4 million jobless men and women back to work. It is needed to achieve the high and stable level of housing production called for in our national housing policy and required to meet the demands of population growth and shift and to replace slum units. It is needed to provide fair treatment for the home buying public and for the homebuilding industry who are the hardest hit by the present tight-money policy.

Mr. Chairman, I am confident that the great majority of this body recognizes the need for this bill and will vote accordingly.

Mr. McDONOUGH. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. COLLIER].

Mr. COLLIER. Mr. Chairman, unfortunately in dealing with this type of legislation charges of politics are always generated. If we did not have the bill on the floor at all the previous speaker from our side would not have made reference to political implications. There would be no political issues if we did not have the bill, and the bill should not even be on the floor.

Mr. BROWN of Georgia. Mr. Chairman, I yield myself such time as I may desire.

Mr. Chairman, I would like to speak briefly in support of the bill now before us, the Emergency Home Ownership Act. This bill was introduced on the first day of this session by my able colleague from Alabama, ALBERT RAINS. The need for it grows greater every day. As we all know, the annual rate of housing starts has dropped sharply. The number of homes started during the month of March, after adjustment for weather conditions and other seasonal influences, represented an annual rate of only about 1.1 million new homes,

according to the Government's figures. This is a 20 percent decline from the rate this time last year.

The cause of this decline is obvious. Tight money and high interest rates are once again stifling homebuilding activity. As we found in 1958, when a bill very similar to the one now before us sped through the House by voice vote, the use of FNMA special assistance can break the logjam in the money markets and quickly bring about a recovery in housing starts. This is just the action we need today. A reversal of the drop in housing starts would provide a much-needed stimulus to business and employment.

Mr. Chairman, experience has proved that homebuilding is highly vulnerable to tight money. One of our main weapons in the defense of residential construction against the tight money policy is the Federal National Mortgage Association. Let me remind my colleagues that in 1954, after careful deliberation, the Congress included in the statement of purpose governing FNMA that the Agency should use its special assistance program to retard or stop a decline in mortgage-lending and homebuilding activities which threatens materially the stability of a high level national economy. In order to carry out this responsibility FNMA needs the funds which would be provided by section 11 of this bill. This section would authorize FNMA to purchase up to \$1 billion worth of FHA and VA loans on low and moderate cost housing.

Mr. Chairman, I do not think we can emphasize enough that this fund does not represent grants or giveaway money. For each dollar of the \$1 billion to be expended under the bill the Government would acquire guaranteed and insured mortgages of equal value. Moreover, these mortgages would earn interest over their life and the Government will make a profit because the interest income will more than cover the cost of providing and servicing the loan. It is significant, Mr. Chairman, that in all its operations FNMA has earned a net income of \$367 million in its 21 years of existence after paying all of its expenses. In its special assistance operation alone, FNMA has earned \$34 million since 1954.

Mr. Chairman, the funds to be provided under this bill would bring maximum relief to areas where the mortgage credit shortage is hurting most. Under a provision of the bill, the FNMA would be required to channel the funds to those areas where mortgage credit is in short supply. Also, to assure an equitable distribution of the funds, the bill would require the Association to prevent an excessive share of the funds going to any one builder or lender.

Another provision of the bill which would help us gain the maximum benefit from the investment of special assistance funds would require the Agency for a period of 1 year to pay the full face value of any FHA-VA mortgage purchased. In other words, discounts would be eliminated. In addition, section 9 of the bill would set a ceiling of 1 percent of the unpaid principal amount of the mortgage for commitment and pur-

chase fees. At present there is no limit to how high these charges can go. Under its current regulations FNMA charges a total of 1½ percent. Moreover, the bill would limit the amount collected in advance to one-fourth of the total fees and charges in place of the current regulatory assessment of one-half of the total. This would be of considerable benefit to those builders who for one reason or another are unable to complete their projects and deliver the mortgages. Let me state again that these requirements on purchase price and limitation of fees and charges apply only to FNMA's special assistance operations which are designed to aid mortgages designated by the President or by the Congress as especially deserving of support. The provision for par purchase and the limit on fees will greatly reduce financing costs to the builder which means, Mr. Chairman, that the homebuyer will benefit by a lower price.

FNMA's regular secondary market operation will still have to play an important part in stabilizing and supporting the home mortgage market. This was the obvious purpose of this function when it was established by the Housing Act of 1954. To make certain that this purpose is clear, section 4 of the bill states explicitly that FNMA in its secondary market operations shall work toward the goal of aiding in the stabilization of the mortgage market.

To help carry out this purpose, the bill would reduce the stock purchase requirement for those using the secondary market operation to 1 percent for a period of 1 year. At present the law gives the agency discretion to set this requirement anywhere between 1 and 2 percent. FNMA has elected to maintain it at the maximum rate. To my mind this is entirely wrong. In view of the extreme discounts already charged by FNMA, a 2 percent stock purchase requirement can only be regarded as a measure designed to discourage the use of FNMA. In my State of Georgia, FNMA charges a discount of 5½ percent for GI loans and in many other States the discounts are even greater.

As a general rule VA appraisals assume a 10-percent profit margin for the builders so here we have FNMA saying to the builder, "Give us more than one-half of your normal profit and we will do business with you." On top of this discount FNMA requires the seller to buy capital stock equal to 2 percent of the amount of mortgages sold. We all know that few builders want to hold the stock or can afford to hold it. Normally the builder quickly sells it and when he does he finds that it is worth only about 50 cents on the dollar. As far as the builder is concerned this 50-percent loss on FNMA stock is just an additional cost of doing business with the Agency. In fact there is a bill in conference right now which would recognize this fact for tax purposes.

A provision of the bill which has widespread industry support is section 5 which directs FNMA to purchase any FHA or VA loan which is in good standing. This would end the Agency's practice of "second guessing" the FHA and VA on mortgages offered to it for sale.

If there is anything wrong with these mortgages that is the responsibility of the Agency which is insuring or guaranteeing FNMA against loss on the loan.

Mr. Chairman, I am proud of my record of steady support for the Federal National Mortgage Association. This Agency has proved its value in the years since it was created in 1938. Altogether FNMA has purchased FHA and VA loans amounting to \$9.2 billion; after deducting sales and repayments its present holdings amount to \$5.5 billion. In the colossal terms of mortgage lending these amounts are not particularly large. Its present holdings account for less than 5 percent of total home mortgage debt. However, FNMA's activities have played a key role over the years.

This is particularly true in the case of the GI home loan program. FNMA has been a vital factor in helping our veterans to receive the benefits provided by the Congress. For example, fully three-fourths of the mortgages purchased under the special assistance program provided by the Emergency Housing Act of 1958 were GI loans. This same assistance is needed today since tight money is effectively killing the GI program.

This bill would remedy that unfortunate situation and it would do it without one cent of cost to the Government. Mr. Chairman, I strongly urge all of my colleagues to cast their votes today in favor of reviving the GI program and the entire homebuilding industry. At the same time they will be voting in favor of spreading the benefits of homeownership and of giving the economy the boost which this bill would provide.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, I would like to call attention to another angle of this subject which has not been touched upon as yet and also call attention to what was said by the National Association of Home Builders.

The National Association of Home Builders, which is a 43,000-member trade organization in the homebuilding field, does not endorse the billion dollar spending proposal in this bill. The testimony shows the association would support the bill only as a third choice alternative, if the funds were obtained through appropriations rather than back-door borrowing from the Treasury and if the mandatory par purchase requirement was eliminated. Those are two most important "ifs." But there is another bill which the association does endorse and which it is actively supporting because it believes the legislation is of vital importance to the homebuilding industry. That bill is H.R. 10590 which the Ways and Means Committee has reported and which would give the Treasury elbow room in financing long-term debt outside the 4¼-percent interest rate ceiling. Here is what that great organization said to its members in its Washington letter of April 1, 1960:

FOUR AND ONE-FOURTH PERCENT INTEREST ON LONG-TERM BONDS FAILS TO ATTRACT

Failure of investors to respond with enthusiasm to a Treasury offering of 25-year bonds at 4¼ percent has underscored the need for congressional approval of H.R.



10590, the subject of President Martin Bartling's special Washington letter of March 11.

The Treasury had hoped to sell a minimum of \$500 million worth of the bonds, and was prepared to handle sales of up to \$1.5 billion. Investors bought only \$370 million.

Treasury officials, headed by Secretary Robert B. Anderson, viewed the poor response as additional evidence that the 4½-percent ceiling on Government bonds maturing after 5 years must either be removed or modified. NAHB's leadership strongly concurs in this viewpoint.

"It is perfectly obvious that even in a period when money has eased that the 4½-percent rate is not attractive to long-term investors," Bartling said. "This test constitutes a fair warning that unless the ceiling is modified the Treasury will have no alternative other than to drain funds out of the short-term market to handle its refinancing of the public debt. This will hit homebuilding—and hit it hard."

Prior to the long-term bond test, the easing of money during the first quarter had established a psychological climate which had noticeably dimmed the prospects for any favorable action on H.R. 10590. What was being overlooked—or ignored—is the fundamental soundness of the proposition that the Treasury must have a greater degree of flexibility in the management of the public debt which now stands at \$287 billion. Debt management is not simply a Treasury problem; it is a national problem.

#### TREASURY WOULD BE GIVEN ELBOW ROOM

H.R. 10590 would permit the Treasury in any fiscal year to issue new bonds up to a total of 2 percent of the public debt at interest rates in excess of the 4½-percent ceiling. It also would permit some advance refunding. These provisions would give the Treasury badly needed elbow room in handling the debt. They would act to spread the debt out more evenly over a longer span. Now the Treasury is forced to concentrate virtually all of its financing activities in the short-term market. The Government's present position might be compared to the plight of a modest-income home buyer who had to buy a home over a 20-year period, but was required to refinance his mortgage every 90 days.

There is no assurance—in fact, the evidence is to the contrary—that the softening of the money markets will continue throughout the year. Moreover, under anticipated future conditions, there is no assurance that the Treasury will not again attempt another short-term issue similar to the Magic 5's, which hit savings institutions so hard last year.

If the Treasury is not permitted to do some substantial refinancing in the long-term sector of the market, the situation is bound to worsen. During the 1960's, \$80 billion of securities will come due. The real test will come in the last 6 months of the year, including a peak on August 15, when a \$9.6 billion issue comes due, and again on November 15, when \$10.8 billion in bonds and certificates come due. These peaks will hit at times when the needs of business for funds will be at high levels.

Unless Congress approves H.R. 10590—and your continued support for this measure is urgently required—there may be trouble in the fall.

As to the present state of the money market, NAHB has received scattered reports of slight easing in the availability of mortgage funds, although it is still impossible to obtain an accurate measurement. Advance commitments are probably loosening, and the problem of qualifying buyers is somewhat less acute in many areas.

Mr. CLEM MILLER. Mr. Chairman, will the gentleman yield?

Mr. BETTS. I yield.

Mr. CLEM MILLER. Am I to understand then that absent action on the legislation to which the gentleman has just been referring, NAHB would support the Emergency Home Ownership Act; is that correct?

Mr. BETTS. I am not saying that.

Mr. CLEM MILLER. I thought the gentleman just said that the National Association of Home Builders said that as a third alternative it would adopt this bill; and it seems to me we are at that third point.

Mr. BETTS. But we still have the back-door Treasury approach which they object to.

Mr. CLEM MILLER. Will the gentleman say unequivocally that the homebuilders are opposed to this bill as it stands?

Mr. BETTS. I am only saying that they are an organization which I think have an important part in homebuilding. I am quoting from a letter which I think is pertinent and which I think they deserve to have put in the RECORD.

Mr. CLEM MILLER. But according to the proceedings of their convention they definitely went on record in favor of this bill; is that not correct?

Mr. BETTS. I am saying only what the letter says, and I think they are entitled to have it in the RECORD.

Mr. CLEM MILLER. I thank the gentleman.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. BETTS. I yield.

Mr. McDONOUGH. I think the point that the gentleman from Ohio made in the letter was that some builders would support the present bill providing it did not provide for par purchase of FNMA; in other words, \$1 billion for additional purchase of mortgages but not at par. And also, the back-door approach, which would kill the present bill.

Mr. BETTS. Mr. Chairman, I am informed the other great trade associations interested in homebuilding—namely, the National Association of Real Estate Boards, the U.S. Savings & Loan League, the National Association of Mutual Savings Banks, the Mortgage Bankers Association of America, the American Bankers Association, and the National Retail Lumber Dealers Association—unanimously oppose this so-called emergency housing bill but unanimously support giving the Treasury relief from the 4½-percent straitjacket ceiling on long-term financing. If the Congress really wants to do something to help the housing industry it seems to me we are working on the wrong bill. The Congress should vote down this so-called emergency housing bill which the housing industry does not want and in its place get busy and pass the interest rate ceiling bill which the housing industry does want to prevent the drain of mortgage funds from savings institutions.

Mr. McDONOUGH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FINO].

Mr. FINO. Mr. Chairman, while some of the perennial enemies of Government housing programs would want us to believe otherwise, we have yet to win the battle to provide American families with

decent, safe, sanitary housing. Instead, the need for a continuous flow of funds into the home mortgage market remains at the top of the list of stabilization measures. For this reason, we must continue to supplement and support the private capital markets which have been assisting the building industry. The Emergency Home Ownership Act of 1960 has as its primary objective the encouragement of mortgage lending. It, therefore, becomes imperative that we, in Congress, strive for the successful passage of this important housing legislation.

My home city of New York has been among the cities which are in the forefront of the fight to improve the living conditions of urban families. In spite of all the State, Federal, and municipal housing programs and the sometimes heroic efforts of the homebuilding industry—more than 200,000 substandard housing units still remain in the city's housing inventory; and another 100,000 dwelling units are grossly overcrowded. Only through a miracle of miracles could the children living in such an environment emerge as mentally adjusted, physically sound individuals.

I would like to bring to the attention of the Members of this House an article that appeared in the New York World Telegram under date of April 21, 1960. It was in connection with a dinner held in New York. The caption of the article is "Loan Outlook Still Bad, MBA Group Hears." MBA stands for Mortgage Bankers Association of New York. It says:

Homebuilding in the metropolitan area and throughout the State has declined sharply because of the inability of builders to obtain mortgage financing in the present tight money market, members of the Mortgage Bankers Association of New York were told at their April dinner meeting in the Hotel Biltmore last night. "Despite the headlines that loan funds are easing, the outlook is not good and is not likely to get better," asserts Alexander Paulsen, board chairman of the Long Island Home Builders Institute and vice president, General Builders Corp. "Builders today can't get commitments for building loans and permanent mortgages in the volume and at terms we and our home buyers need."

Jack Friedland, Staten Island builder and president of the New York State Home Builders Association, noted that the mortgage crisis extends throughout most areas of New York State. Mr. Friedland said that just within 2 weeks the State Savings Banks Association had tried to remedy the situation by having local savings banks send \$1 million into Westchester and another \$1 million to Buffalo to cover needed home mortgages.

The New York City housing situation is but a miniature of the state of the national housing panorama. The 1956 national housing inventory revealed that there are almost 4 million dwelling units in this country which are seriously deficient in some respects; another 2.8 million do not have running water and 4.7 million lack private plumbing facilities. That such misery and filth should exist in this most economically and socially progressive Nation of the world is beyond comprehension. It is conclusive proof that the battle for improved housing is really just beginning, for not only

must we increase the amount of housing under the pressure of population growth and mobility but we must also strive to upgrade the condition of the existing supply of housing.

A profitable, progressive business enterprise constantly seeks to protect its investment—this is the key to its remaining "profitable" and "progressive." Numbered among this country's assets are more than \$250 billion in nonfarm residential wealth. This is for structures only; the value of land is not included in this sum. The physical plant which comprises our residential structures is an investment which warrants a high level of protection, through rehabilitation and the replacement of obsolescent structures; by stepping up the capacity of the housing machinery to provide for increased needs, and by furnishing the necessary tools for proper maintenance. This is as vital to the Nation's economic growth and stability as the proper maintenance of the capital equipment of a business enterprise.

The accumulation of residential wealth of such magnitude could not have been achieved by private industry alone. The National Housing Act of 1934 undergirded the home mortgage market by developing a standard mortgage instrument, promoting uniformity in mortgage transactions and encouraging home ownership through measures designed to impart a degree of liquidity to mortgage market funds. The contributions of the agencies operating under this historic legislation are legion. I do not have to reiterate them here. The programs administered by these agencies continue to be important to the limited-income home buyer, to the lending institutions and the homebuilding industry.

The housing bill now pending before us will help to ease the flow of mortgage funds, thereby preventing a sharper decline in homebuilding activity and accommodating those families who wish to exercise the right to reside in a home of their own. It will not increase the taxpayer's bill. Nor does it provide for any further encroachment by the Government into what is essentially the responsibility of private enterprise. Instead, it will assist the homebuilders of America to continue to provide improved housing.

In the late 1940's when Senators Taft, Wagner, and Ellender fought so diligently and unselfishly to provide a legislative vehicle for housing and community improvement, the need was great, and it was urgent. In the decade just passed, in spite of the efforts of the Congress, civic leaders, Government officials, the construction industry and lending sources, we have succeeded in the elimination of only one-fourth of the dilapidated housing which existed in 1950. While housing starts have averaged in excess of 1.2 million units annually, it has been estimated that at this level of new construction we will not be able to eliminate our backlog of substandard housing by 1970—ten years hence. Therefore, today—1960—the need for housing programs continues to be urgent.

In the face of a generally high standard of living and a national product

which increases with each passing year, we cannot afford to neglect so important an asset as our residential structures and their environment. The billion dollar fund to purchase FHA and GI home mortgages envisioned by this emergency measure would be a worthwhile investment in the future. The economic and social returns from such an investment will more than repay the advance of this sum. I urge the Members of this House to support this important bill which will benefit so many of our citizens by not only increasing job opportunities but creating decent and suitable living conditions for our American families.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. FINO. I yield to the gentleman from New York.

Mr. SANTANGELO. The gentleman from New Jersey stated in his remarks regarding this bill that no one from the city of New York would be aided by the provisions of the bill. Can the gentleman state from his experience on this committee, as well as from his experience living in the city of New York, as I do, that the people who are trying to build in the so-called suburban areas of New York City, such as Queens, the Bronx, and Staten Island, and those who are going into Westchester County and New Jersey because of lack of decent housing in New York City, find they cannot buy a home because the money is not available in a mortgage market, and that the builders are having difficulty building because they cannot get mortgages for the homes for these people from New York City?

Mr. FINO. The gentleman has stated the facts correctly.

Mr. SANTANGELO. So that when the gentleman stated this would not help the citizens of New York City he was in error?

Mr. FINO. Yes; the gentleman from New Jersey is not entirely correct in his remarks.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. FINO. I yield to the gentleman from California.

Mr. McDONOUGH. Does the gentleman believe the land can be purchased and a home built thereon for \$13,500 in his area?

Mr. FINO. We are not talking about a \$13,500 home.

Mr. McDONOUGH. You are talking about New York City.

Mr. FINO. The gentleman asked me a question. Allow me to answer it. When we are talking about \$13,500 and \$14,500 we are talking about mortgage money and not the entire price of a loan.

Mr. McDONOUGH. That is right.

Mr. FINO. We can build homes in New York City for \$16,000 and \$17,000.

Mr. McDONOUGH. Then the down payment would have to be the difference between the cost of the house and \$14,500 in the high cost area.

Mr. FINO. Exactly.

Mr. McDONOUGH. So when someone buys that high-cost house for \$17,000 you are not catering to the low wage earner. The purchaser has to make a

\$3,000 downpayment on a \$17,000 house in order for the builder to have the advantage of selling the mortgage to Fannie Mae. How do you reconcile that?

Mr. FINO. If we have this legislation on our statute books, the benefits from it would flow into the tight money market and help ease the present situation by making more mortgage funds available.

Mr. McDONOUGH. That is an assumption. That is all a presumption.

Mr. FINO. Additional funds would be available and there would be enough funds for those purposes which you have mentioned.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. FINO. I yield.

Mr. McDONOUGH. In the last billion dollar Fannie Mae special assistance fund that was voted in 1958, the entire State of New York got 104 houses and most of them were in low-cost areas and not out on Long Island or other higher priced areas.

Mr. FINO. I appreciate the gentleman's concern for New York State, but our concern and interest should also be national.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BROWN of Georgia. Mr. Chairman, I yield such time as she may require to the gentlewoman from Michigan [Mrs. GRIFFITHS].

Mrs. GRIFFITHS. Mr. Chairman, I would like to point out that as a member of the Housing Subcommittee of the Committee on Banking and Currency, I am more than for this bill. The State of Michigan has been the third fastest growing State in the past decade. Detroit has had the most rapid industrial expansion of any city in America during the past 6 months. Yet, the Detroit metropolitan area exceeds the national average in dropoffs in housing starts. It is not necessary to point out that America can afford housing.

Secondly, I think it is a good thing to point out that those people who are suffering in the building trades and in the building industry from lack of housing starts are facing a far greater problem than those people who share in a general depression. People who are out of work during the time of high employment and rising prices in areas face unusual difficulties. America can afford this bill.

I might point out further that while this may affect the budget of the United States, there is no debt service charge to be carried in this bill.

I urge that all members of the Committee support the bill and that it be passed and made the law of this Nation.

Mr. McDONOUGH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, it is unpleasant to be forced to disagree with my delightful colleague from Detroit [Mrs. GRIFFITHS], who just addressed us, and for whose views I have the utmost respect, but it is also very difficult, in fact, impossible, to understand the need for this bill. Yesterday and today the majority leader Mr. McCORMACK made his usual speech, the one that he



makes when legislation of this kind comes up. I gathered the impression that Republicans are all living in the dark ages. That is the way they prefer to live. They are all back numbers. They do not know what is going on in the world. He seems to follow the Hopkins theory. Tax and spend and so win the votes of the thoughtless—the support of those who would redistribute the wealth of our people—take from those who have worked and earned and saved and give to those who have spent as they lived—saved not at all for the day to come.

I would like to have you read this little letter from a young man who writes he does know what is going on. He writes:

APRIL 23, 1960.

My letter concerns itself in its entirety with the controversial H.R. 4700 or the Forand bill. As you must have already realized the new generation which will within a short time, control tomorrow's Government is better informed, better educated than ever before. There is relatively little happening in our Government today of which the people of today are unaware when compared with a decade or two ago. South Korea is a good example of the awakening of a sleeping giant, public opinion.

The Forand bill is one of the so-called hurdles which demonstrate to the public where their Representatives actually stand. Our Government is of the people, by the people, and for the people, and is existent therefore to serve the people. It should, therefore, be your duty to aid with the passing of the Forand bill and challenge the opposing selfish, well-financed minority blocking the bill due to conflicting interests. I would very much like to hear of your support and aid with a discharge petition to get H.R. 4700 out of the Ways and Means Committee. When it is time to go to the polls I shall vote for a candidate which supports the average individual and sincerely hope that you shall be one of those I shall have in mind.

I know of no more delightful procedure than that of being generous and helpful, especially if you are giving away someone else's money. How eager we are to help the other fellow around election time with the tax dollars of the other man's earnings.

That is what most of the measures supported by our Democrat colleagues favor—again Harry Hopkins—tax-spend brings the votes.

We are told—at least that is the impression I get—that the home folks do not have any money to buy homes, homes cost too much. Why—because of the giveaway policy of the majority party. I just read that the electricians are getting \$6 an hour. That, and the ever-rising cost, may have something to do with the inability to buy a home.

Then, as you listen to that sort of an argument and as our office found in the last week it is impossible to get a hotel reservation here in Washington for a constituent, you wonder just where this scarcity of money exists. People have money to come to Washington. Today's paper says 400,000 are here. Did not the press tell us a week ago Sunday that 8,000-plus people were waiting in line to go through the White House? It costs money to come to Washington. It costs dollars to visit here. In truth and in fact it is not a

scarcity of money at all which prevents the purchase of a home. It is the high cost—in turn the result—of the so-called liberal policy of buying when payment is not possible. It is the inclination of the people to buy something they want instead of something they need. Read the press. Look around Detroit. Look on the streets and the highways. There is money to buy autos. Talk about unemployment. They are making more cars in Detroit than ever before. There are so many almost everywhere that there is no place to put them; scarcely room on the highways to drive them in safety.

It is not a scarcity of money that creates an emergency if there be one. It is the cost of building. Why are homes so high? Because all during the last few years the cost of building has been going up and up. They have pushed the cost of a home beyond the reach of the average man. Oh, yes, say the liberals—wages must go higher—and they do, but unfortunately the higher wage buys no more; sometimes less. In times gone by one was able to buy 40 acres of land for what an automobile costs now. You could make a living on that land. No longer is that true.

In my opinion, it is not a matter of a lack of money. It is a lack of judgment in spending. It is the direct result of the so-called liberal policy of those who tax one to give to another. If money is needed for homes it is the determination to have our own way, buy beyond our means and pile up the national debt; leave the bill, the cost both private and public, to some future generation to liquidate. A selfish unfair policy—but one which gets votes. If that is not selfish I do not know what selfishness is. We cannot go on endlessly increasing wages. Adding to the cost of everything. Being able to buy no more with the higher wage. Think of the case of the old person who has a home, a good home, but is physically handicapped and has to have someone about 30 hours a week. Do you know what it costs? Fifty dollars for less than 30 hours work. Where is the older person, unable to work, to get the money? Savings exhausted, earning capacity exhausted.

What we need is a little wise planning. What we need is what the late Senator Wadsworth, who served here for so long in this House after serving in the Senate, you remember, what Senator Wadsworth said: A little work, a little thrift, and a little thought for the future. Sound doctrine then, sound today.

Where is this going to end? With a real depression and then a sad and cruel retrenchment. My correspondent referred to the Forand bill. That means more billions, how much no one knows, if we keep on, how much and from what source will it all come?

Mr. BROWN of Georgia. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. CLEM MILLER].

Mr. CLEM MILLER. Mr. Chairman, there have been remarks on the floor about the National Association of Home Builders supporting this bill only as a

third alternative. Presuming that to be the case, it seems to me we have reached the third alternative. But let the record show that the National Association of Home Builders went on record at their convention in favor of this legislation. The board of directors subsequently apparently reversed the position of the convention. They speak of "back-door spending." Homebuilders should know you need a back door as much or more than a front door. This is a methodology of Congress, and what are the homebuilders doing in this dispute at all? I think it is about time the National Association put its money on the line and decided who its friends were.

The gentleman from California [Mr. McDONOUGH] has said this afternoon that this bill will benefit builders. I hope the National Association will pay careful attention to this because he is opposed to the bill. He said that the people who are not going to benefit are the consumers. We will see about that in a moment.

What are the facts? It seems to me that when we get down to the question of need or no need we should go to the record, to the hearings, and not charge politics. I do not know what is being said elsewhere, but I do know the witnesses from California who came before our committee said there was need. I am not weeping any crocodile tears for California, but we do give up large amounts of money. That money flows into the eastern money market in savings and insurance, and only a trickle comes back. The fact is that in California we need money for housing, and we need an easing of the money market. I do not see how any colleague from California, regardless of what has been said here, can stand on the floor of this House and oppose the need for help in housing. There is ample evidence in this record that I am holding here.

The gentleman from New Jersey [Mr. WIDNALL] was present at the time the witnesses from California appeared, the gentlewoman from Michigan [Mrs. GRIFFITHS] was there at the time. There is ample testimony in this record, and it is a most convincing case beginning at page 206 of the hearings. Let me quote just a typical example:

Here is what Dan Schwartz has to say:

Now, coming to another situation which is becoming more and more prevalent in the State, the last figures showing that 80 percent of the homes produced in southern California were conventional with second mortgages, and 60 percent of the homes in our area were produced with conventional, with second mortgages.

In this situation we have a 7.2-percent first mortgage for a term of 25 years, on top of that being an 8-percent second mortgage with a 7-year due date, which is the average situation, with payments at 1 percent per month.

Again the discount for this type of mortgage is 6 percent, or \$762. However, the monthly payments are \$158. The \$158 comprises the approximately \$90 on the first mortgage, 1 percent of the \$3,300 second mortgage, or \$33, plus an average of \$35 for taxes and insurances, and, of course, the big danger here is that come the end of the 7 years lightning strikes.

Mr. MILLER. Would you amplify on that?

Mr. SCHWARTZ. At the end of 7 years the buyer is going to have to face a fantastic problem. His 1 percent a month didn't begin to pay off the \$3,300 second mortgage over the 7-year period, so as of the end of the seventh year he finds he has to make a payment of \$1,750 on the house that he got into with no downpayment, and this, gentlemen, we feel is a growing and very serious situation, and why has this come about?

It has come about because builders such as myself and others up and down the State have been unable to finance GI and FHA, the money not being available. We have had to resort to a conventional program, doing a tremendous injustice to the people of the State of California, knowing that at the end of this seventh year there is going to be a big problem.

Where was the opposition to this testimony? There was not any. Where was the challenge to this fine testimony from Dan Schwartz and the other Californians? It seems to me that if we are going to speak here in opposition to this bill from California, there should be some indication of it—the record. And there is none.

Mr. WIDNALL. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I usually do not vote against a rule. In fact, I have been trying to think when I last voted against a rule. However, I did vote against the rule on this bill, and I might say that the attendance during debate on this issue has tended to confirm my vote because there does not seem to be any interest in this bill.

Mr. SANTANGELO. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. SANTANGELO. Mr. Chairman, I withdraw the point of order.

Mr. GRIFFIN. Mr. Chairman, I make the point of order a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 57]

Alexander	Garmatz	Morrison
Anderson,	Gary	Nix
Mont.	Gavin	O'Hara, Mich.
Arends	Granahan	Pelly
Bailey	Grant	Pilcher
Baker	Gray	Pillion
Barden	Halleck	Porter
Barrett	Hargis	Powell
Bentley	Harmon	Rabaut
Bolling	Hollifield	Riehlman
Bonner	Irwin	Roberts
Boykin	Jackson	Rogers, Tex.
Buckley	Jones, Ala.	Rooney
Burleson	Kearns	Saund
Canfield	Keogh	Sheppard
Celler	Kilburn	Short
Chelf	Kilday	Smith, Kans.
Chipfield	Lafore	Springer
Clark	McGinley	Sullivan
Cooley	McIntire	Taylor
Dawson	McMillan	Teague, Tex.
Delaney	McSweeney	Thompson, La.
Devine	Magnuson	Walter
Dooley	Martin	Whitten
Dowdy	Moeller	Withrow
Durham	Montoya	Wright
Fallon	Morgan	Young
Frazier	Morris, N. Mex.	

Accordingly, the Committee rose; and the Speaker having resumed the chair,

Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 10213, and finding itself without a quorum, he had directed the roll to be called, when 348 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Missouri [Mr. CURTIS] is recognized.

Mr. CURTIS of Missouri. Mr. Chairman, at the time of the quorum call I was commenting on the rule and the reason I felt the rule should have been voted down.

I want to refer to the fact that this is entitled "Emergency Home Ownership Act" and is predicated upon the assumption that there is an emergency. I think it is also pertinent to point out, in the light of the way the debate was going, with the emphasis on need for this housing, the fact that in the preamble to the bill there is no mention at all of need for housing. As a matter of fact, there is a very interesting economic theory embodied in the preamble of this bill. It is a new theory that has just been advanced, primarily in the past year or two, by Mr. Keyserling and Mr. Galbraith and some of the economists of the Americans for Democratic Action. The theory is that we have to have Federal spending if we are going to maintain a prosperous economy. Incidentally, it is an economic theory that I am completely opposed to. I think it is erroneous. I would say it is directly contrary to the concept of the private enterprise system, but it is a subject worthy of debate.

But read the preamble along with me. What is this housing bill supposed to do? First, to halt a serious slump in residential construction. That says nothing about the need of homes, the need for cheap and adequate housing for our people. It refers to the economic welfare of a segment of our economy, the homebuilders. That has been the argument, that we need to do something about this particular industry.

Second, to increase both onsite and offsite job opportunities. This has to do with employment.

Third, to help achieve an expanding full employment economy.

That is practically Mr. Keyserling's theory. You have to spend Federal money whether in the housing field or whatever field. The whole theory is that this economy cannot maintain maximum employment, maintain price stability and have economic growth unless we are spending Federal money at a certain level, regardless of need. So need, indeed, has very little to do with this bill.

Now we come to the fourth reason in the preamble of the bill. At last we get around to human beings: To broaden home ownership opportunities to the American people; and, of course, I question whether it will do any of these things, particularly the last. But now to get around to the bill.

One of the interesting developments here has been the arguments of the proponents of this legislation that the difficulty in the housing industry results from high interest rates. I wonder how many Members of the House paid attention to the Joint Economic Committee hearings and the papers and discussions of the various economists in this country on the subject of the interest rate ceiling, the ceiling of 4¼ percent, on long-term bonds, and the arguments of people like myself who took the floor and warned this House as economists have been warning the country of the damage that was going to result from not taking that ceiling off? We were and are not saving anything on the interest rates by leaving the ceiling on, because there is no ceiling on short-term Government financing, but we have been imposing the ceiling on long-term financing. That has forced the Federal Government to do its refinancing and new financing in the short-term money field; and as we tried to point out, one of the great industries that provides short-term money financing is the savings and loan institutions. When the Treasury Department issued the "fabulous fives" it took considerable sums directly into Government securities away from these institutions to which people building homes would go for their borrowing. The very warning that those who blindly hampered sound debt management were given is now coming true. People are paying high interest rates.

What has created this particular situation? Because it is not just homeowners I might state who are damaged by this forcing the Federal Government into the short-term investment field all of our consumers who want to buy washing machines and durable consumer goods must go into the short-term field where the Government has already been forced to move.

There is only one way to solve this high interest rate and this shortage of investment money. There are two ways, really. One is to decrease the demand, which I do not think we want to do. If the demand is from our private sector we do not want to decrease the demand of people for homes and for the good things of life. But one thing we can do to decrease the demand I might say is to decrease the demand of the Federal Government for this money by reducing, certainly not increasing, the Federal debt.

The other way in which we could solve the short-term problem, the other area in which we could do something about this tight money, of course, is increased personal savings, and I am very hopeful that in the long run that is exactly what will solve this problem.

Tight money is not created by Government action; Government inaction, Government mishandling of fiscal and monetary affairs, of course, can contribute to the problem; but, clearly, tight money is related to the demand for money in relation to the supply of money.

Those who want to hearken back to the days of Mr. Truman will remember exactly what happened at that time. The Federal Reserve was pegging the



Government bond market. It was under Mr. Truman and his administration that the Federal Reserve-Treasury accord was reached. Pegging the bond market was the very process that brought about inflation which cut the purchasing power of the dollar in half. The Assistant Secretary of the Treasury, Mr. William Martin, who was under Mr. Truman, a Democrat, who is now incidentally head of the Federal Reserve Board, was the one who worked out this accord to eliminate this policy to peg the Government bond market by Federal Reserve purchases in order to control this inflation.

Now, we have heard all of this plea for the little man from those on the other side of the aisle speaking in behalf of this bill. Let me say that the thing which hurts the little man the most is inflation because every dollar that the little man has goes for consumption and inflation hits every consuming dollar. The man who has a higher income can divert some of his dollars into investments and thereby ride the impact of inflation. It is the little man, the man who has to use all of his dollars for consumption, who is hurt the most by inflation. And, Mr. Chairman, that is the reason we are not having the Federal Reserve System peg the bond market, that is the reason it is better to have the economic laws of this country react so that we can actually see what is the demand for investment dollars and what is the supply and relate the two together. If we have tight money, let us recognize it is due to the great demand for that money. This is somewhat encouraging, but we can never get ahead of the amount of savings that our people are willing to accumulate in order to finance our future growth. It comes back fundamentally to the savings of our people.

My concluding remarks relate to the welfare of our economy. I was amazed to hear the chairman of the committee make remarks of gloom and doom in light of the record.

The Joint Economic Committee held hearings during the month of January and February on the President's economic report and there was not an economist who came before us who did not agree that the year 1960 is going to be the most prosperous in our history. There was no estimate of \$550 billion of gross national product, as I have heard some people say on the floor. The administration, I think, predicted \$510 billion, and the economists said they were being conservative, that it probably would go to \$520 billion.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. McDONOUGH. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. CURTIS of Missouri. Mr. Chairman, they said that the economy would run to around \$510 billion. There is a good indication we will reach that figure. The best indicator, of course, we have of economic welfare is the gross national product. Everyone has the Economic Indicators for April 1960, and if they will

turn to page 2 they will see that for the first quarter of 1960 our gross national product is at the rate of \$498 billion. That relates to the \$479 billion of 1959, it relates to the \$470 billion of the first quarter of 1959. Indeed, it shows exactly this prosperity for 1960 coming along. I notice a complete and apparently unawareness of this most unusual weather we had in the month of March, which, of course, had a momentary impact on any economy. But we are coming out of that.

Referring to other economic indicators that are also contained in the joint Economic Indicators, almost without exception every economic indicator shows that this year, 1960, is going to be a prosperous year, that we have a fundamentally sound economy and a growing economy. So much for these prophets of doom and gloom who on the slightest fluctuation in any economic indicator want to come down here and make wild statements. They may think it is good for political reasons, but I think it is rather foolish because if the prognostication does not turn out to be accurate, just look at where you are going to be. Every economist I have heard and read about even in recent weeks I may say reaffirms the fact that this year is going to be a prosperous year. It is not going to be a great boom year, but very few of us indicated or said we were going to have a great boom year. We said it would be the most prosperous year in the history of the United States, as, indeed, it is.

Mr. Chairman, how ridiculous it is to bring a so-called emergency bill on the floor of the House under this kind of economic climate.

Mr. BROWN of Georgia. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the distinguished gentleman from Missouri [Mr. CURTIS], who has just addressed the House has made some extremely interesting remarks concerning the cause of high interest and concerning the low interest policy of the previous Democratic administrations. I desire to address my remarks to these subjects, particularly.

Interest rates have gone so high under this administration, we are told, only because we are in a period of a most unusual and perhaps an unprecedented demand for money. We are in a great business boom, or at least a promise of one, and there is tremendous demand for funds on all sides.

I would invite the Members' attention to the situation which prevailed first, during World War II; and, second, in the post-World War II years.

From the beginning of the war in Europe on September 1, 1939, until at least 1951, our Nation experienced a very trying time, to put it mildly. The stresses and crises the Nation met were enough to test the economy of any nation.

During the World War II years we were spending a quarter of a billion dollars a day on the battlefield. We were shooting it away. The amount of money that had to be borrowed in that

period was unprecedented in the history of our Nation, and the history of any nation. Not only did this unprecedented demand for Government borrowing have to be met, but industry had to borrow unprecedented sums to build the plants to produce the war goods—the ships, the airplanes, the munitions, the textiles—everything conceivable.

Yet at no time in this period did the Federal Government pay a rate of more than 2½ percent on its long-term bonds; and never did the market yield on Government bonds rise above 2½ percent.

In the post-World War II years there was a tremendous demand for funds that well could have strained and broken our monetary system. There was a great backlog of demand from the period when half of the Nation's production had gone into the war effort, and ordinary people all across the country had large amounts of liquid assets with which to buy the goods they wanted to buy and had postponed buying. Production capacity was inadequate in almost all lines, and an unprecedented expansion of business facilities had to be financed.

Yet through these postwar years, up until March 3, of 1951, the date of the so-called Federal Reserve-Treasury accord, the price of Government bonds never dropped below par. The market yield never went above 2½ percent, and at most times the market yield was substantially below 2½ percent.

Was the rate fixed? Yes; it was pegged. It was the duty of the Federal Reserve to peg them. It was then the duty of the Federal Reserve to help all the people and not just the bankers and the wealthy families. The Federal Reserve was then doing its duty. Today it is not doing its duty. It is a Government agency serving the special interests of the few—not the welfare of the whole country.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. Just a moment, please.

Mr. CURTIS of Missouri. I just want to ask a question. Were there not price and wage controls about that time, and what about the situation when they were removed?

Mr. PATMAN. I hope the gentleman from California [Mr. McDONOUGH] will give me 4 or 5 minutes to answer that question. I have only a limited time.

Yes; we had controls during the war years, but after the war there was a big clamor to get rid of these controls immediately, and practically all controls were removed in 1945, soon after the war was over. Except for rent controls in selected areas, almost no controls remained after 1946.

From 1946 to 1951, the greatest potential inflationary period in history, we kept our bonds above par and we kept the interest rate no higher than 2½ percent. So I submit, Mr. Chairman, that if during the most trying periods of our existence, during those 12 years, we could keep Government bonds above

par and the interest rate at 2½ percent, we can do it any time. I say we can do it now if there is a desire to do it, but the Federal Reserve does not desire to do it. It desires high interest, just as all officials in this administration desire high interest.

Mr. CURTIS of Missouri. What about the value of the dollar under those circumstances?

Mr. PATMAN. Of course, that varied, just as it does right now. It depends upon what you are buying with that dollar. If you are buying short-term credit, the dollar is worth only 7 cents today compared with that period.

I will show in a moment that the price increases made after the controls were lifted were not the result of any monetary inflation in this period, any more so than the price increases that have been made under this administration have been caused by a monetary inflation.

Mr. Martin, whom the Republicans insist on calling a Democrat, was appointed by a Republican President. Why? To carry out the Republican policy of high interest. He has carried out the Republican policy, as they wanted it carried out. He was first appointed on a trial basis. They wanted to make sure how he would act before they gave him the regular place. But he has carried out their policies all right, so much so that he is now their hero.

Now I would like to invite the Members' careful attention to the official record of the postwar period preceding the so-called accord of March 1951.

I refer to it as the "so-called accord" because it was not an accord, or an agreement in any legal or proper sense of the term.

Agencies of the Government cannot properly reach an accord on an interest-rate policy unless the President of the United States agrees to it, because the President has a duty, under the law, to approve each and every bond issue and the interest rate which the public is going to pay on that bond issue.

The President of the United States was not in accord with the so-called accord of 1951 which was arrived at between certain officials of the Treasury and the Federal Reserve. On the contrary, the President of the United States on this occasion was the victim of a mutiny and a revolt—a kind of self-declared session of the Federal Reserve from the rest of the Government.

Only shortly before this so-called accord, the President had called the members of the Federal Open Market Committee to the White House and asked them to hold the line at 2½ percent on Government bonds, and they promised to do that.

Let me point out for those who do not know, that the Federal Open Market Committee is the group within the Federal Reserve System which determines interest rate policy for the United States. This committee is composed of the seven members of the Board of Governors, plus a selection of five of the Federal Reserve bank presidents, the latter individuals

being chosen for their office by representatives of the private banks.

The members of the Federal Open Market Committee promised the President of the United States they would hold the line at 2½ percent on Government bonds, despite the fact that there was then a tremendous agitation among the bankers for higher interest rates, and news had leaked out that the leaders in the Federal Reserve wanted to raise interest rates.

A point of fact, according to testimony later given by Mr. Allen Sproul who was at the time president of the New York Federal Reserve Bank and a member of the Federal Open Market Committee, the Open Market Committee had already made a decision in the previous August to go its own way and raise interest rates despite what the President wanted them to do.

The cause of our troubles today is that the bankers have gotten control of the Federal Reserve System and are running it in the interest of the bankers, imposing higher and higher interest rates.

Today our Government's bonds are selling in the market at 82 cents and 83 cents on the dollar—an absolute disgrace.

Now what are the facts about the low interest policy in the preaccord period? During the past few years these facts have been more misrepresented than any facts I know of. And they have been misrepresented through all of the organs of propaganda.

We have heard it said on all sides, "Yes; the Federal Reserve was able to keep interest rates by being committed to buy Government bonds in the open market whenever the price went below par, but to maintain the artificially low interest rates, the Federal Reserve had to buy up vast quantities of Government securities, and this inflated the money supply and caused all our troubles."

The main trouble with this claim is that it is exactly contrary to the facts.

The facts are that the Federal Reserve did not buy huge quantities of Government securities in the postwar period, prior to the accord, when it began to raise interest rates, but it actually made a huge net reduction of its holdings of Government securities.

So, if the Federal Reserve increased the money supply too much in this period, it was not because it increased its holdings of Government securities—an event which would have given the banks more reserves and thus enabled them to make more loans and investments.

But the further fact is that the Federal Reserve did not permit an increase in the money supply, in any real sense, by any means whatever. In fact it restrained the normal growth of the money supply and actually reduced the money supply relative to the amount of goods and services produced.

For those members who have not seen the rebuttal to the claim that the Federal Reserve had to go into the market and buy up vast quantities of Government securities in the postwar years to keep interest rates reasonable. I will insert in the Record the official figures from the Federal Reserve report, showing the exact amount of its holdings of Government securities in these years.

These figures show that between the end of 1945 and the end of 1950—just 2 months before the accord of March 1951—the Federal Reserve reduced its holdings of Government securities by a net of \$3½ billion. This was done notwithstanding the fact that there was a tremendous increase in the production of goods and services in these years and, consequently a real need for an increase in the money supply. By money supply we mean, of course, both bank credit and currency in circulation outside of banks.

The following table was taken from the annual report of the Board of Governors of the Federal Reserve System for 1959, page 119:

End of year or month	Reserve bank credit outstanding						
	U.S. Government securities			Dis- counts and advances	Float	All Other	Total
	Total	Bought outright	Held under repur- chase agree- ment				
1945.....	24,262	24,262	-----	249	578	2	25,091
1946.....	23,350	23,350	-----	163	580	1	24,093
1947.....	22,559	22,559	-----	85	536	1	23,181
1948.....	23,333	23,333	-----	223	541	1	24,097
1949.....	18,885	18,885	-----	78	534	2	19,499
1950.....	20,778	20,725	53	67	1,368	3	22,216
1951.....	23,801	23,605	196	19	1,184	5	25,009
1952.....	24,697	24,034	663	156	967	4	25,825

Where, may we ask, were all the Government securities which the Federal Reserve bought up in the postwar years in order to maintain what is called an artificially low-interest rate? If it bought up these securities we have heard so much about, it must have burned them or hidden them away in the back of the vault somewhere and neglected to include them in its official reports.

As I have already said, without respect to the means by which it may have done it, the Federal Reserve did not increase the money supply in any realistic meaning of the term in the first war years prior to the accord. Actually, it increased the money supply less relative to the growth in the economy than it has in the years since the so-called accord.



I will insert a table showing the official figures on this point:

*Comparison of changes in the money supply and changes in real output, 1946-58*

Year	Percent increase in real GNP (1954 dollars)	Percent increase in money supply <sup>1</sup>
1947.....	-0.1	3.5
1948.....	3.8	.5
1949.....	-1.1	-1.0
1950.....	8.7	2.5
1946-50.....	12.6	5.6
1951.....	7.5	5.1
1952.....	3.4	5.1
1953.....	4.4	2.4
1954.....	-1.6	1.3
1950-54.....	14.1	14.7
1955.....	8.2	3.5
1956.....	2.1	1.4
1957.....	1.8	.5
1958.....	-2.3	1.0
1954-58.....	9.9	6.6

NOTE.—Real GNP: The total gross national product (representing the total national output of goods and services) measured in current dollars has been converted to 1954 constant dollars.

<sup>1</sup> Money supply as measured by demand deposits adjusted and currency outside banks. Demand deposits are adjusted to exclude interbank deposits, U.S. Government deposits, and cash items in the process of collection. Data for money supply are based on 13-month averages.

Now I challenge any Member to obtain from Chairman MARTIN or Secretary Anderson any meaningful statement relative to this factual record. The record does not agree with their propaganda, and they evade all questions that put their propaganda and the record side by side. I have tried it. Let me illustrate the results.

Recently Secretary Anderson was testifying before the Joint Economic Committee, and I gave him some questions in writing which compared some of the claims he has made on this subject with the actual record. Furthermore, I called his attention to a statement made in the Board of Governors' report for 1951 which admitted that prior to the accord the market would take any amount of Government bonds at the 2½-percent rate then being offered.

Comparing what it claimed to be the situation in the Government bond market immediately following the accord with that before the accord, the Board's report states:

The new market situation contrasted sharply with the situation that had prevailed throughout the postwar period, when any amount of bonds could be sold readily at relatively fixed prices.

I cited this passage to Secretary Anderson and asked him this question:

My question is, first, whether you agree that throughout the postwar period, up until the beginning of 1951, any amount of bonds could be sold readily at relatively fixed prices?

Now please note his answer in which he manages to misunderstand the Board's statement. His answer begins:

During much of the postwar period, up until the time of the Treasury-Federal Reserve accord in March 1951, a large amount of Government bonds were sold readily by investors to the Federal Reserve at relatively

fixed prices. Since that time, however, the Federal Reserve authorities have properly pursued a flexible monetary policy—

And so on. So you see, he will not say whether or not he agrees with this very embarrassing statement about the preaccord period which the Board itself made in 1951. His answer twists the Board's plain statement into a statement, not that any amount of bonds could be sold to investors at 2½ percent, but that investors readily sold the bonds to the Federal Reserve when the rate was only 2½ percent.

After that the Secretary's statement goes on to praise the Federal Reserve's present monetary policies which are, of course, in perfect accord with what this administration wants.

My effort to have Chairman Martin retract the erroneous statements that have been made about the preaccord period have met with no greater success. When he was before the Joint Economic Committee in February of this year I called to his attention the contrast between the facts and the statements being made to the contrary. Members may judge the results from a portion of the record of the hearings, which I will insert below:

Representative PATMAN. We often read statements to the effect that: In the preaccord period, in order to maintain yields on long-term Government bonds at no more than 2½ percent, the Fed was forced to buy large quantities of Government securities in order to maintain what is called an artificially low rate, caused inflation of the money supply.

I will now read from the Board's annual report for 1958. \* \* \* In other words, the Fed did not increase its holdings of Government securities in these postwar years up to 2 months before the accord. Rather, it made a net reduction in its holdings of Government securities, the reduction amounting to approximately \$3½ billion. Is that correct?

Mr. MARTIN. Those figures are correct. But that must be related to the Federal budget, of course, during the period. We have a debt today getting on to \$300 billion, whereas then we had a lower debt.

The figures must be related to the Federal budget? Why? The claim has been made that the Federal Reserve acquired vast quantities of Government securities in the preaccord period, in order to maintain what is conveniently called an artificially low level of interest rates. So the only question is whether this is a correct statement of fact or not, Mr. Martin prefers to talk about other matters, but it is not a correct statement of fact, because the Federal Reserve did not acquire Government securities for any reason. It reduced its holdings of Government securities.

All the Federal Reserve had to do to keep interest rates low was to let it be known that it stood ready to buy Government securities if the market price fell below par.

Interest rates are high today for one reason and one reason only. The reason is that the administration and the Federal Reserve want them high, and I would remind the Members that when this administration first started raising interest rates, its first action on taking

office, its spokesman then made no bones about the fact that it wanted to raise interest rates and it intended to raise interest rates.

On January 20, 1953, when President Eisenhower was taking the oath of office, the Federal Reserve was at that moment raising the discount rate.

A month later the administration put out its first bond issue. It issued a bond at a rate of 3.25 percent when the market rate on the longest Government bond then outstanding was three-quarters of a percent less. Secretary Humphrey made no pretenses that this was intended as anything other than a move to help raise interest rates. He put out a statement declaring that it had inherited from the previous administration "artificially low" interest rates and that it meant to raise them.

The administration has been raising interest rates ever since, and as a result it has given away billions and billions of dollars. Bank profits have been more than doubled, insurance company profits have been more than doubled, and personal income from interest has been more than doubled.

Just think of it—personal income from interest is now \$24 billion a year—more than twice the total farm income of the country. Yes, the bankers and the 1 or 2 percent of the families who are very wealthy have profited handsomely from the administration's high interest policy. But all of this has come out of the pockets of the other 98 percent of the American families. This high interest policy is nothing more or less than a way of redistributing the income. It is taking purchasing power out of the pockets of 98 percent of the people to further enrich those who are rich already.

The high interest policy has increased the interest cost for carrying the Federal debt twice what it would have been if interest rates had been left at their 1952 level. We are now paying more than \$9 billion a year just in interest charges on the Federal debt—and what a giveaway this is. This \$9 billion a year is as much as the total Federal budget in the New Deal years. And I can remember in those days when our Republican colleagues were constantly declaring that this amount of Federal spending was absolutely certain to bankrupt the country. That was in the days when most of the spending was to provide useful work for the unemployed to take families out of the breadlines and put the economy back on its feet after the collapse which followed the previous experiment with the Republican high interest policy.

It is more than a little strange to hear our Republican colleagues declare themselves so much concerned over the taxpayers money when we are considering such things as a housing bill or a distressed areas bill.

When we proposed spending a quarter of a billion dollars to help distressed areas help themselves, we are charged with being big spenders and wasters. Yet we are asked to appropriate billions

of dollars to help foreign countries relieve their distressed areas, and we are told that is all very fine. At least five different agencies of the Government are in competition with one another to see which can make the softest loans or the easiest grants to foreign countries, but not one of them has one penny to help the distressed areas in America.

We propose a billion dollars to help American families obtain decent homes, help the homebuilding industry and help put the unemployed back to work, and this is declared to be wasteful and unnecessary spending of the taxpayers' money. Yet the Federal Government is giving away many billions of dollars of the taxpayers' money because of the high interest policy and we hear from our Republican colleagues not one murmur of protest against this waste. And the fact of the matter is the high interest policy is the very reason that millions of American families cannot buy decent homes without our help.

Mr. McDONOUGH. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, after listening to my distinguished colleague from Texas, who serves on the Committee on Banking and Currency, which has jurisdiction over the Federal Reserve System, may I say that if he feels as he does and as his speech indicates, why does not the Committee on Banking and Currency amend the Federal Reserve System Act? You have the power to do so, yet I notice you keep coming over to the Committee on Ways and Means trying to get us to mess into the affairs of the Federal Reserve System. If this is so, why does not the majority in control of the gentleman's committee do something about it? I do not think the case is well made. I congratulate the gentleman's colleagues on the Committee on Banking and Currency for not doing this.

Mr. PATMAN. Does the gentleman congratulate us for not doing it?

Mr. CURTIS of Missouri. That is correct.

Mr. PATMAN. I take neither the responsibility nor the credit, because if it were within my power we would have hearings on these things and do something about them; but it is not within my power to do it.

Mr. CURTIS of Missouri. In other words, the gentleman has not been able to persuade his colleagues on his own side that his theory is correct?

Mr. PATMAN. That is right. However, the Ways and Means Committee has responsibility for acting, or not acting, on the President's request that the interest rate ceiling be repealed—not the Committee on Banking and Currency. That is the reason that I have urged the Ways and Means Committee to look carefully into the situation it is faced with before it takes any such action to allow and encourage the administration and the Federal Reserve to raise interest rates still higher.

Mr. BROWN of Georgia. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, I rise in support of H.R. 10213, the emergency homeownership bill, and I think the Banking and Currency Committee is to be commended for bringing such timely legislation to the floor.

The reason that I support this measure, as a member of the Housing Subcommittee, is that I am convinced that it is needed now and that it will be needed in the months ahead.

The heart of the bill, as you know, is the provision for a \$1 billion loan fund to purchase FHA and GI loans through the FNMA Special Assistance Program. This is the stimulant which the committee is convinced is necessary to halt the dangerous downward drift of the housing industry and the important industries which depend upon a healthy and vigorous home building industry.

Mr. Chairman, there can hardly be any doubt about the serious decline in housing which has been taking place ever since last spring. During most of last year, the decline in the annual rate of housing production was gradual, but in the early months of this year the fall-off has become precipitous. Latest statistics show that we have fallen to a seasonally adjusted rate of only 1.1 million units, which is a falloff of approximately 20 percent below the rate a year ago.

This is a dangerous situation for two reasons:

First, because production at such a retarded rate can only mean that we are slipping further and further behind in our efforts to make a reality out of the objectives of our national housing policy, namely, a decent home and suitable environment for every American family. We simply have to face the fact that this goal cannot ever be achieved unless we step up the rate of housing production over the level of recent years. At the present rate we are going, we are not making a dent in the disgraceful inventory of substandard and slum housing, and we are barely breaking even—if that—in meeting the minimum demands of family formation.

Second, is the fact that a sagging or depressed home building industry must be considered a forerunner to a depressed economy nationally. Recent history demonstrates convincingly that a failing home building industry signals an overall decline in economic activity, just as housing production on the upswing is a harbinger of stepped up activity in our overall economy.

Mr. Chairman, for those who doubt that there is trouble in the home building industry, I invite attention to the reports issued by the subcommittee and testimony given in our hearings. These show that discounts on FHA and VA mortgages have reached an unconscionable level, particularly in the South and West. It is apparent that some builders have found ways to inflate housing prices in order to cover these discounts, but it is almost impossible for small builders to do this—and the result is that they are simply forced out of the VA and FHA programs, programs meant to provide homes for the modest income market.

It hardly need be pointed out, Mr. Chairman, that these exorbitant discounts are basically the result of a tight money policy which has forced interest rates to ever higher levels.

May I just say on the subject of interest rates. I was very interested in what the gentleman from Missouri was saying, but he appears to be convinced that the level of interest rates depends entirely upon the law of the marketplace, in other words, upon the demand and the supply of credit. Mr. Chairman, I remember a few years ago when people in discussing inflation would reflect the classical concept of inflation—that is, too many dollars chasing too few goods. Well, we have learned in recent years that there is another kind of inflation—high price inflation brought about by administered prices. This is the situation which, as I say, we have become familiar with where despite a falling off in demand, prices stay at a high level or even go higher. We saw this in the last recession and it is particularly true in our basic industries. It seems to me that possibly we are going to hear more and more in the future about administered interest rates. The facts, according to the Wall Street Journal and other sources of information that are available to all of us, are that funds are becoming more readily available and that savings are going up. Why is it then that interest rates remain at the high level that they are. I say it is because the correlation between supply and demand and the interest rate ceiling is not quite as attuned as the gentleman from Missouri and others seem to indicate.

I was addressing my remarks, of course, to discounts.

Discounts are just one device to increase the yield on mortgages which have a ceiling on the rate of interest which can be charged. The bill before us will do much to relieve this outrageous situation, both directly and indirectly. And in so doing, it will check the alarming increase in the use of second mortgages and other questionable financing devices in the conventional loan field.

Where second mortgages are used they are typically discounted by as much as 25 percent, believe it or not, and this staggering discount is often added on to the normal sales price of a home.

Another practice which is dangerous for the buyer, and for the industry, is the use of installment sales contracts. Under this plan, a buyer doesn't even get title to the house he's buying and can be dispossessed for even a momentary default in payment, since he is without the usual protection provided by most State foreclosure laws.

Mr. Chairman, the use of these costly, dangerous, and undesirable methods of financing can be directly traced to the growing difficulty in obtaining long-term low downpayment FHA and VA loans. Let me repeat, this is another and very important reason for the legislation at hand.

Now, Mr. Chairman, I understand that the Republican side of the aisle is planning to offer a so-called civil rights



amendment to this bill and I want to comment briefly on this.

We will be told, I'm sure, that the purpose of this rider is to prevent discrimination in the operation of this bill.

This simply is not the fact of the matter. The truth is that the purpose of the amendment is to kill the bill. Nothing could be clearer. The idea is to force liberal Democrats to join Republicans under the umbrella of civil rights, thus assuring adoption of the amendment.

But what would happen on final passage? The same thing that has happened time and time again in the past. Republicans would joyfully join conservative Democrats to vote the bill down.

I say this maneuver is transparent, that it is overworked and I very much hope that other Democrats who regard themselves as liberal will join with me in voting against the proposed amendment.

The principal feature of the bill, of course, is the provision of \$1 billion for FNMA investment in FHA and GI loans on lower priced housing. However, there is far more to the bill than that. Other sections of the bill complement this provision and provide assistance and incentives to increase production in other types of housing. For example, the bill would restore the requirement that FNMA pay the full face value of loans bought under the special assistance program. In addition, it would reduce FNMA's fees and charges in these special areas. Right now there is no restraint in the law on the amount FNMA can charge under special assistance and it has set the cost at 1½ percent by regulation. This bill would impose a ceiling on fees and charges of 1 percent of the amount of mortgages sold to FNMA. Moreover, it would limit the amount collected at the time of commitment to one-fourth of the total in contrast to FNMA's present regulatory requirement of one-half. These provisions will immediately benefit such programs as urban renewal housing, which is highly dependent on FNMA for financing. It would also cover other types of mortgages which have been singled out as deserving such aid, such as housing for the elderly and cooperative housing.

Another section which would benefit a broad range of housing is the prohibition against FNMA's present practice of rejecting some FHA and GI loans offered to it. This is a simple matter of common sense and should never have been a problem in the first place. If the loan is acceptable to FHA and VA, and is not in default, there is no justification for FNMA to second guess these agencies.

The flow of new mortgage money generally will also be aided by the limitation imposed on FNMA sales, including their recent efforts to trade mortgages for government bonds. In view of the extreme tightness in the mortgage market this is no time for FNMA to be unloading its portfolio. By so doing, it is simply sopping up funds which could have gone to financing new homes.

Mr. Chairman, I will not attempt to go into all the provisions of this bill. I am convinced that this represents a well-thought-out answer to the present

problems plaguing home buyers, and the homebuilding industry. It would make an important contribution toward getting our housing needs and toward meeting our responsibility to do everything in our power to assure employment and maximum production. I urge all of my colleagues to support the Emergency Home Ownership Act.

Mr. KASEM. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield.

Mr. KASEM. Do you think the civil rights amendment is as transparent as having the Vice President represent us at the summit conference in the event the President finds he has more important business in this country?

Mr. ASHLEY. I would say no. I do not think it is quite that transparent. Nothing could be more transparent than this.

Mr. McDONOUGH. Mr. Chairman, I have no further requests for time.

Mr. BROWN of Georgia. Mr. Chairman, I yield such time as he may desire to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Chairman, I rise in support of H.R. 10213. It is not only a good bill, it is a vitally needed bill. It addresses itself to two of the most important and current weak spots in our Nation—the need to put every citizen under decent and adequate shelter and the compelling need to encourage and maintain a progressively vibrant economic structure for continued growth.

I called the Labor Department's Bureau of Labor Statistics this morning and was told that as of March 1960 there are 4 million and 206 thousand people in this Nation out of work. I talked with the National Association of Home Builders here in Washington to be told that housing starts remain at 1,115,000. All of this in a nation of 180 million people which is growing daily. Furthermore, I talked with the Bureau of the Budget to learn that the Administration thinks this to be a bad bill and is opposed to it. Over 4 million out of work and the housing starts figure remaining where it has been for so long—and the executive branch of this Government sits idly by. It is high time that we in the Congress become concerned and take definitive action to correct this growing national housing problem.

I know that you will hear the argument that housing is a function of the free enterprise complex and is no business of Government. I submit to you, my colleagues, that anyone who believes that housing this Nation's citizens is not properly a concern of Government is living in the past and that furthermore that past is a terribly expensive one and utterly unrealistic. The facts are easy to come by—just as easy for the administration to procure as for me. There are over 3 million dilapidated, nonfarm homes in use in America today; this, I am told, is twice the number that were in existence and use 10 years ago. When one examines the figure of 1,115,000 housing starts today and then discovers that this current figure is one-half mil-

lion less than in 1925 when our population was only 115 million he discovers a shocking picture. In 1925 we were building 111 homes for every 10,000 people. In 1960 we are building 77 homes for every 10,000 people. This is an era of unparalleled prosperity. Why, Mr. Chairman, we are not even holding our own. In fact, we are retrogressing.

Exhaustive hearings have been held on this bill and much expert testimony has been given. Outstanding among all that testimony is the statement to the effect that a minimum starts figure to adequately house our ever-expanding population would be 2 million starts annually. Coupled with this is the fact that we have not begun to feel the effect in housing of the post-World War II birth rate. In addition to this there is the ever-present problem of the continued spread of urban blight and slums and the loss of housing inventory through Federal and State highway programs and urban and community redevelopment. Looked at from this angle, Mr. Chairman, we are building for ourselves as a nation a problem in housing that reaches near emergency proportions and promises to get even worse unless we in this body take the initiative and create the necessary machinery to begin immediately a frontal attack on this neglected problem.

Mr. Chairman, we dare not fail to create in this body the opportunity through private enterprise assistance for this growing and healthy population of ours to avail itself of adequate and decent housing within a fair and just range of prices. To do otherwise will be nothing less than "sowing to the wind and reaping the whirlwind" for the social consequences that are bound to follow this long-neglected problem are bound to be serious and of tragic consequences to our national fiber if we fail to act positively. Unless adequate housing, fairly priced and within the easy acquisition of our citizens, is not soon made available to all willing to save and plan and pay for it, then we may expect crime among adults as well as juveniles to increase. Bound to follow substandard housing is the serious disruption of family patterns, broken homes, and a further breakdown in moral and ethical standards. If this happens, then we as a free people are in real trouble. I hate to contemplate what the social agenda in the next 10 years might read like unless we act. Another fact to be considered is always lurking in the background during these past few years—the effects of recession and inflation on our economic structure. Unless we act on this matter in a positive and bold manner, we have a nation in trouble.

It was just 2 years ago when our economic position suffered a rather severe and shocking jolt. Most people had been led to believe through slogans of peace and prosperity that our economic base was solid and substantial. But, as if without warning, the man in the street was told that we were going through a period of strategic retreat, of economic tightening up—a recession. In the spring of 1958 this Nation, living in an

era which almost automatically guaranteed prosperity, suddenly was awakened to the rude fact that over 5 million of its people were out of work, wanting to work and could not find work. It was only natural that people began to draw parallels between the early 1930's and 1958. Through the Madison Avenue use of slogans we had long since become convinced that this thing that haunted America in the thirties could not happen again, certainly to the extent that it was happening. Fear and uncertainty about the future was naturally engendered in the minds of many people. We are told now by a spokesman of the administration that inflation is no problem and that the recession is over. This may be, but the damage was severe. As an example of this damage let me cite the \$12 billion deficit in the Federal budget for fiscal year 1959. Nine billion dollars of this deficit is directly traceable to the loss of income tax revenue.

During this period the Congress initiated and passed the Emergency Housing Act of 1958 and the administration used it in helping to get the Nation out of the recession. This act of 1958 reversed the downward trend in homebuilding, a trend which once again is beginning to assert itself and should be of concern to all of us who desire a healthy economy. This act of 1958 proved to be a real shot in the arm for our recovery efforts.

Under this Emergency Housing Act of 1958, the Federal National Mortgage Association was authorized to invest \$1 billion in FHA and VA mortgages on new construction. That investment in turn was a stimulus to an even greater investment of private funds in mortgage construction. This bill will, I believe, have the same sort of triggering effect in encouraging the investment of a much larger share by savings institutions across the country in one of the soundest investments available—private homeownership.

What does the bill do? The major feature of the bill is a reactivation of the Federal National Mortgage Association's program 10. This was a program initiated under the 1958 Emergency Housing Act, and this bill would increase the program No. 10 authorization by \$1 billion for the purchase of FHA and VA mortgages on new construction. The principal amounts of these mortgages could not be over \$13,500 except in those areas where high construction and labor costs warrant. The FNMA is, under the provisions of this bill, directed to channel to the maximum possible extent the available funds into those areas. And FNMA is further directed by this bill to allocate these funds in the most equitable possible manner to insure against a disproportionate use of them by any one builder.

This, then, is the main feature of the bill. The other provisions are directed at making the FHA home mortgage insurance program more workable—to remove stumbling blocks toward the end of broadest possible use of the FHA program. Various inhibiting factors in making the Federal National Mortgage Association fulfill its true purposes as a

real secondary mortgage market stimulus are removed by this bill. The other function of FNMA—the provision of special assistance for financing of selected types of FHA and VA loans—is aided by restoring the par purchase requirement.

In short, Mr. Chairman, this bill gives real impetus to an industry which has power to reverse present downward trends in our economy; but, more importantly, delivers in the form of a finished product an item every person vitally needs, an item this Nation can ill afford to let its citizens do without—shelter for every American family.

I urge you, my colleagues, to support this bill.

Mr. LINDSAY. Mr. Chairman, I rise in opposition to H.R. 10213, which has been somewhat wistfully dubbed "Emergency Home Ownership Act." And I do so more in sorrow than in anger.

The housing field is one in which I have a very keen interest. In my own district, as in the Nation, there are housing problems still unsolved. I am acutely conscious of the role Government can and must play in this area.

The substance of this bill, however, is a scheme to subsidize housing construction in one small part of the industry, and this chiefly in the South and Texas. This will be done by purchase of mortgages through FNMA without the point discount which is now prevalent in the marketplace as the mechanism for adjusting the controlled FHA interest rates to the market. Under the law, the discount is paid by the builder, and consequently, the subsidy will be to the builder. That is why this is strictly a builders' bill. It does little if anything for the small homeowner. Furthermore, the builders so subsidized contribute to only a small fraction of the total residential construction.

I have read the majority report, and I still do not see how it can be said that the bill will make a constructive contribution toward solving any national housing problem. I know the housing problems of my own district. Certainly, this bill will solve none of them. In fact, intensified urban areas where apartment dwelling is the rule will receive no benefit whatsoever from the bill. These are the areas where we should be focusing our attention.

Now I suppose anyone who is from New York City should not be surprised to encounter politics in housing, even in this year when politics is so far from everyone's mind. But I should like respectfully to suggest to my colleagues on both sides of the aisle that H.R. 10213 is patently so poorly conceived for its announced purpose that its enactment is neither good government nor sound politics.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Home Ownership Act".*

Mr. BROWN of Georgia. Mr. Chairman, I move the Committee do now rise.

The motion was agreed to. Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 10213 directed him to report it had come to no resolution thereon.

#### TV MUST ABANDON CUSTOM OF TYPING CRIMINAL CHARACTERS AS BEING ITALIAN

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks in two instances in the body of the Record and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, television programs are showing an increasing disrespect for the intelligence and pride of the American people. From rigged quiz presentations to the reflections cast upon large national groups by falsely identifying them as being stupid or violent, this segment of the entertainment industry has failed to live up to its public responsibilities.

Its poor taste, cynicism, and mockery of the viewing audience has aroused large numbers of people who are demanding that the industry clean house or forfeit the support of those upon whom it depends for its very existence.

Americans of Italian origin are offended by TV's habit of stereotyping all racketeers and gangsters as being automatically Italian by name or accent.

It gives the impression to those who do not know of Italy's great contributions to civilization, and who are ignorant of the deep religious faith, the hospitality and the kindness of the Italian people, that our Italian-American friends are enemies of law and order.

This is an out-and-out insult to our fellow citizens who are proud of their magnificent traditions and heritage.

It is truly "A Case of Libel," which is the theme of the lead editorial that appeared in the April 23, 1960, edition of the Boston Pilot, which is the voice of the Archdiocese of Boston, Mass.

As this issue is coming to a head, I include the editorial in the CONGRESSIONAL RECORD. I hope that it will induce TV to change its ways.

#### A CASE OF LIBEL

A libel against a person is reprehensible enough, but a libel against a whole people multiplies the crime. Even when the libel is a subtle one, it can be effective, and even when unintentional, it can do its damage. The libel we speak of is fast taking on the proportions of a national scandal and very few Americans can fail to be exposed to it. Radio and television, not to mention the theater and the short story, have decided that the criminal in American life must be an Italian.

At the present time the most offensive presentation seems to be on television where violence and crime are getting vastly more than their deserved space. By accident or by name, by suggestion or by specific reference, the gangster, the tough guy, the bookie and the jailbird are all Italians. We have



often wondered how those of Italian origin must feel as they watch their nation stereotyped in this libelous way; at least we know that for many of the rest of us, who know something of what Italy has done for Western civilization, the suggestion is revolting.

Is there any other national group that would have put up with this sort of business this long without getting action? We think not. We have noted that Irish protests long ago got rid of "paddy," the buffoon; that Jewish protests long ago disposed of "izzy," the merchant; the Negro protests have killed off blackface—and we just wonder how long we are going to have to put up with "tony," the gangster. It is long past time that this last fellow followed his other friends into oblivion.

Let no one say at this point—"but there are Italian gangsters." The answer to this is a simple affirmative. But there are also gangsters who are English, Irish, Dutch, Jewish, German, Negro, and whatever else. No one group has a monopoly on crime any more than a monopoly on virtue. It has never been suggested that each national tradition does not have its proper share of scoundrels; the objection is raised when one group is steadily identified with an offensive stereotype.

What to do about all of this? Every person with a sense of fairness has some responsibility in clearing up the libel we have been speaking of. Italians may feel self-conscious in taking up the cause, just as many Jews feel self-conscious in combating anti-Semitism. Others in the community, however, who resent the attack that is being made on the reputation of their Italian neighbors must do something positive to change the habits of the TV scriptwriters.

One clear avenue is to write to the TV stations, who are appropriately sensitive to public opinion, especially when it is reasonable and politely expressed. The second avenue, which sometimes brings even quicker response, is to write to the advertisers who present the offending programs. The last thing that either of these groups wish to have is public opinion offended and a potential buyer alienated from the product they are interested in selling. In the last analysis we will have this problem with us just as long as we do nothing to change it; as soon as we decide that it is worth doing something about, we will have solved it.

#### LAWRENCE, MASS., AND ITS BLUEPRINT FOR PROGRESS

Mr. LANE. Mr. Speaker, one of the most inspiring stories of our times is the organized effort by some of our labor-surplus communities to fight their way back to economic recovery and progress.

Greater Lawrence, in Massachusetts, is a notable example of the success achieved through realistic planning and community spirit.

Since its incorporation, more than 100 years ago, Lawrence was a one-industry community.

When the textile industry upon which it depended for its livelihood collapsed, Lawrence was threatened by economic disaster.

But its people did not quit.

Under the leadership of the Greater Lawrence Chamber of Commerce and the two newspapers of this community, the Lawrence Eagle-Tribune and the Lawrence Sunday Sun, they started to rebuild the local economy through diversification of industry.

Not content with mere recovery, Greater Lawrence is determined to move ahead.

Its blueprint for progress outlines the new Lawrence that is developing.

And the spirit that is putting those plans to work is expressed in the front-page editorial, "Our Greatest Challenge," that appeared in the April 22, 1960, edition of the Lawrence Eagle-Tribune.

Under unanimous consent, I include it in the CONGRESSIONAL RECORD, as an example that will guide and encourage other communities.

#### OUR GREATEST CHALLENGE

In April 1958, in cooperation with the Greater Lawrence Chamber of Commerce, the Eagle-Tribune published a report to the Nation edition which proudly proclaimed how our community, with unbounded determination and a solidly united spirit to fight, overcame its textile mill losses through the introduction of greater diversification of industry. Subsequently, Greater Lawrence became the quoted example and envy of American cities everywhere because of the economic upswing which followed and the resultant increased employment and payrolls.

In April 1959 the Eagle-Tribune published a preview edition of "New Horizons for Greater Lawrence" and what its future was to be. Many of the enterprises and projects outlined then have already been completed and others are in their final stages. Yet, there remains a great deal more work to be done if we are to keep our Greater Lawrence community in the forefront as a leader in this great country of ours.

Today, we present a special 60-page supplement for the beginning of the fabulous sixties. It contains the completed master plan of a "Blueprint for Progress"—a long-range pattern of design showing what must be done in the physical and industrial structure of Lawrence in the next 10 years if we are to make more efficient and profitable use of its resources.

There is much material in these pages for all to study and absorb thoroughly. We strongly recommended that you keep this edition as a check-sheet of progress and accomplishments. "Blueprint for Progress" is our greatest challenge to date. We must not fall now.

Greater Lawrence, today, stands on the threshold of an era of further expansion and prosperity. We are about to take what is perhaps the boldest forward step in our long history.

During the next 5 to 10 years we will observe, and actually be a part of, events of such magnitude that they will shape the course of commerce, industry, transportation, education, and employment in the Merrimack Valley for future generations.

Situated strategically in the center of the Merrimack Valley, Greater Lawrence has long been referred to as "The Hub of the Merrimack Valley."

In the immediate future that title is about to become even more definite, and the community itself will assume still larger stature as new highways, new bridges, expanding educational facilities and new commercial and industrial enterprises increase the flow of people and products into and out of "The Friendliest Community in the United States."

We can see a variety of projects taking shape—some long overdue, some in the early stages of development, others still on the drawing boards—but all of them, in their own ways, calculated to serve our growing

community and to enhance the nationwide prestige of "The Hub of Merrimack Valley."

Greater Lawrence is on the march and you are in the parade.

IRVING E. ROGERS,  
Publisher.

#### SAVING AMERICA'S GRASSROOTS—THE 25TH ANNIVERSARY OF THE SOIL CONSERVATION SERVICE

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. Mr. Speaker, I should like to remind Members of the House of a most significant birthday that is being observed today. This is the 25th anniversary of the signing of the Soil Conservation Act, which not only set forth the Nation's soil and water conservation policy but established the Soil Conservation Service in the U.S. Department of Agriculture to carry forward a nationwide program of erosion control.

Few more important pieces of legislation, in my opinion, have ever been passed by Congress, from the standpoint of safeguarding basic elements of the Nation's economy. I am referring, of course, to our soil and water resources, without which this Nation could not produce its bounty of food, fiber, and other essentials for this and future generations.

The Soil Conservation Act, for the first time in national legislation, recognized that wastage of soil and water resources on our farm, grazing, and forest lands, as a result of soil erosion, is a menace to the national welfare. It declared the policy of Congress to provide permanently for the control and prevention of soil erosion, the preservation of natural resources, and related objectives including flood control.

It is fitting that on this date we recognize the vast amount of effective soil and water conservation work that has been done on the farms and ranches and watersheds of the country by landowners and communities since April 27, 1935. It is also a good time to take note that much more urgently needs to be done before the job we started out to do has been completed.

I want to pay special tribute to two former Members of this House, the late Jack Dempsey, of New Mexico, and Marvin Jones, of Texas, now the distinguished chief judge of the U.S. Court of Claims here in Washington. Twenty-five years ago they introduced identical bills to declare the conservation policy of Congress and establish the Soil Conservation Service. As it happened, Congressman Dempsey's bill was the one acted upon, but it was Congressman Jones, then serving so effectively as chairman of the Committee on Agriculture, who reported the bill and handed it on the floor.

The bill became law exactly in the form in which it was introduced. Forty members of the 74th Congress which

passed the Soil Conservation Act are serving in the present 86th Congress. Many of them certainly remember the urgency that prompted their action in those earlier days.

Only 3 weeks before the House acted on the bill, Members of Congress, in common with the rest of the people in the Nation's Capital and elsewhere in the East, had seen the sun dimmed by a yellow haze. Enormous clouds of fine dust particles swept across the country from the eroded, drought-parched fields of the Great Plains, created something new in eastern weather.

Many members of the 74th Congress had seen fields stripped of topsoil and riddled with gullies. They had seen muddy creeks and rivers after every rain, silted reservoirs and stream channels, and other costly results of uncontrolled erosion in all parts of the country.

A start had been made toward doing something about the growing problems of soil erosion, but it clearly was not enough. Thanks to the missionary zeal of that pioneer soil conservationist and first chief of the Soil Conservation Service, Dr. Hugh H. Bennett, Congress as early as 1929 had provided for cooperative erosion control experiment station studies at 10 locations. A Soil Erosion Service, also under his direction, had been set up administratively in the Department of the Interior in 1933, to give on-the-farm technical assistance in a number of erosion control demonstration projects and Civilian Conservation Corps areas. This early Soil Erosion Service was transferred to the Department of Agriculture in March 1935 and renamed the Soil Conservation Service on April 27.

With the declaration of conservation policy by Congress, a continuing and expanded national action program of soil and water conservation was assured. Two years later, in 1937, farmer-organized and farmer-managed soil conservation districts, established by authority of State enabling laws, began to accept responsibility for directing local soil and water conservation programs. They drew on the technical assistance of the Soil Conservation Service and on other sources of Federal, State, and local help.

Looking back today, we have the satisfaction of knowing that our nationwide soil and water conservation undertaking rests on sound foundations that have stood the tests of a quarter of a century. This undertaking, so important to the welfare of every one of this country's 180 million citizens, has moved ahead successfully and steadily. Responsible people everywhere have praised its operations. It continues to deal effectively with today's multiplying problems involved in the conservation and development of our soil, water, and related resources.

I am proud of the fact that even before I came to Congress in 1939 I had supported in every possible way the sound soil and water conservation program carried on by the soil conservation districts of Iowa.

Since then, I am happy to have had a part, as a member of the Appropriations Committee and on the floor of this House, in the enactment and financing of the watershed protection and flood prevention program authorized by Public Law 566 of the 83d Congress. I believe we all owe a vote of thanks to the authors of this act, Senator GEORGE AIKEN, of Vermont, and former Congressman Clifford Hope, of Kansas. Through this program, communities in all parts of the country are now able to get the essential technical and financial assistance needed to move ahead with their watershed work.

Flood prevention structural work is now underway, or contracted for, in many of these watersheds. It is in various stages of planning in many other watersheds. At the same time, essential land treatment work is being done in all of the watersheds being developed under this program.

Our big concern now, as I pointed out to this body on March 11, is getting adequate funds to meet the Federal Government's share of the cost of these essential watershed projects.

The Great Plains conservation program is another and more recently authorized part of our nationwide conservation effort. This program, which provides complete conservation plans for participating farmers and ranchers, is designed to give comprehensive land treatment in the very region from which the giant dust storms originated 25 years ago.

I cannot begin to remember how many times I have spoken here on the floor, in my own State of Iowa, and elsewhere over the country, in behalf of this conservation work that is so vital to a healthy agriculture and to our whole economy. Back in 1947 I introduced a national land policy bill, to strengthen even more the national soil and water conservation program.

I like to think that my efforts, added to those of so many of my colleagues on both sides of the aisle, have helped our national soil and water conservation program attain the record of accomplishment that is the basis for its widespread and favorable public recognition today.

Conservation farming is no longer an experiment. It is a practical necessity producing important economic benefits. Today, conservation farming is an accepted objective from Alaska to Florida, from Maine to Hawaii. Our new challenge is to keep pace with the growing demand for the kind of technical assistance and other help that was contemplated by the Soil Conservation Act 25 years ago.

The accomplishments so far achieved under this legislation have been most gratifying. When I first ran for Congress, I called attention to two particular problems in my southwestern Iowa district. One was the erosion that was wreaking havoc on so much of our good Iowa farmland. The other was the hazardous dredging of streams, which was lowering the water table in an alarming manner. I am happy to say that

as a result of the effective work done by the farmers themselves, through their soil conservation districts, we are well on the way toward remedying these conditions.

For example, up to 10 or 12 years ago, the watershed above Shenandoah, Iowa, like many other uncontrolled watersheds in my district and yours, my colleagues, used to dump damaging floodwaters down onto the city area with distressing regularity after every heavy rain. Nurserymen operating on some 2,900 acres of this watershed decided to do something about the situation, in cooperation with the Page County Soil Conservation District. Since they got together and treated their lands, there has not been a flood of any consequence.

It is not the enactment of legislation or the setting up of an agency that gets the conservation job done. It gets done by the hard work of individual farmers on their own farms and watersheds back in your counties and mine, with, of course, the necessary guidance of the SCC technicians and financial help from the ACP.

I remember, back in the early forties, being on the train with a banker from one of my counties. The talk turned to my favorite subject—soil conservation. When he told me about some of the erosion and other problems they had in his county, I convinced him they ought to have a soil conservation district there. On his return home, he took a leading part in stimulating interest in the organization of a district in his county and, within a short time thereafter, a district was actually formed—which completed the organization for my entire congressional district.

A few figures will serve to illustrate how fast and far we have come in soil and water conservation accomplishment in the last two decades:

As of June 30, 1939, Chief Bennett reported that 22 million acres of land in private ownership were covered by cooperative agreements. The SCS had working agreements or detailed plans on an additional 26 million acres of public lands. Approximately 81,500 cooperators were represented in Soil Conservation Service operations on private lands, in projects, CCC camps, soil conservation districts, and so on.

As of June 30, last year, the Service reported soil conservation districts had a total of approximately 1,860,000 co-operators, operating nearly 564 million acres. More than 1¼ million of those soil conservation district cooperators had basic conservation plans, on more than 365 million acres in about 2,860 soil conservation districts.

There are similar figures showing notable progress with the land capability surveys and with the individual conservation measures that have been applied on the farms and watersheds of America. They only serve to confirm further the gains we have made.

But we are still in the beginning stage. The conservation job is far from being completed. Some 2½ million farms still need basic conservation plans. Thousands of tributary watersheds need the



combined conservation land treatment and structural work contemplated in the Watershed Protection and Flood Prevention Act. What I have said before still holds true for all our lands which remain without the benefit of conservation treatment and management:

We must stop erosion on this land. We must stop mining the soil. We must stop bad land use and bad water management at the earliest possible hour. Let us never make the mistake in our country that was made by so many other nations that neglected their land. As a result of this neglect they are experiencing today the hunger, misery, and strife that are the penalties of failing to take good care of priceless natural resources of soil and water.

The degree to which we are successful in halting this damage and waste, without unnecessary delay, will help determine the health and vigor of our agriculture when the 50th anniversary of the Soil Conservation Act rolls around in 1985. I know my fellow Members of the Congress are proud of the support they have and are giving to their local soil conservation districts; to the States now participating more actively in conservation matters, and to the Soil Conservation Service. I urge you, in the name of America, to give your continued support to this great movement on which our agriculture, our food supply, and our future as a Nation so greatly depends.

#### CONSERVATION RESERVE—SOIL BANK

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks in the body of the Record and to include therein extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have become convinced that there is a solution to the pressing farm surplus problem within our grasp, if we will but seize the opportunity.

Our opportunity lies in putting renewed energy and emphasis into the agriculture program which is the only program now in operation effectively cutting back surplus crop production.

I refer to the conservation reserve, or soil bank.

Of all the solutions proposed for our urgent farm problem, this is the program which holds the greatest promise of sound, constructive results at the least cost while preserving, at the same time, the priceless freedom of the American farmer.

The conservation reserve program is one farm program which makes sense.

It has proved itself in operation. It is doing a superb job in reducing surplus crop production and conserving the soil. Now is the time to recognize its accomplishments and take steps to realize its full potential. Now is the time to extend the conservation reserve and greatly expand its scope. This is our opportunity to do something about the farm problem.

Accordingly, I have today introduced a farm bill, H.R. 11930, which will extend the conservation reserve for 3 more

years, direct its expansion to the point where cropland in production and cropland actually needed are in approximate balance, allow rental payments to be made in wheat or feed grain certificates and make other improvements in the program which experience have shown will be helpful.

The soil bank is doing two jobs for us and doing them well. It is taking cropland out of production and thus reducing burdensome commodity surpluses. At the same time, it is conserving our soil. The report of the Secretary of Agriculture to Congress on the soil bank conservation reserve program, submitted on March 15, 1960, shows how well it is performing in these two vital fields. I include that report and related tables, as well as the text of H.R. 11930, as part of my remarks.

The essential point I want to make, however, is that what has been accomplished thus far in the field of surplus reduction and soil conservation represents but a small part of the program's potential.

In my opinion, the soil bank has just reached the takeoff point. Its real promise lies ahead. If we give it a chance to show what it can do, I am convinced that we can, over the course of the next 2 or 3 years, make heavy inroads against the agricultural imbalance which plagues us today.

If we are to strike effectively at the root cause of our farm problem, we must reduce cropland acreage to a point where it comes into balance with the demand for agriculture commodities, and we must do so in a way which will not bring about a social and economic upheaval by a centrally directed control program which relies upon the police power for enforcement.

We have learned the hard way—by accumulating costly surpluses which cannot be utilized—that too much of our land is being farmed. We have been tilling soil that should better remain in cover, water, or trees. We have been planting land which produces crops far beyond our needs at home or abroad. In the process, we have depressed agricultural prices and have done great damage to our most precious natural resource.

If we can successfully reduce crop acreage to the point where land in production meets our needs, we will have reached the point where we can end the rigidities of Government controls, supports, and subsidies and let the free market bring its challenges and rewards to the American farmer.

The soil bank can do this job if we make it the keystone of our agriculture program.

It can reduce surplus acreage in a purely voluntary manner, permitting the exercise of free choice, paying fair value for farmer participation, and avoiding the straitjacket of Government-directed planting.

It can do so with the least administrative cost and governmental redtape. The machinery is already in operation. It is administratively efficient, relying upon locally elected farmer committees for local administrative decisions.

It can do so without subsidy, its payment to farmers representing only what the land would otherwise bring in rental on the marketplace or in crops that would otherwise be produced.

Its costs, while large, would be one-half to one-fourth as much as the present price stabilization program and far less than any of the proposed regimentation type substitute programs.

Economists who have studied the problem estimate that a soil bank of 60 million acres, varying possibly 20 percent either way, would bring cropland into balance with demand. It is estimated a 60-million-acre soil bank would cost about \$900,000 million annually. The 1961 budget request for farm price and income stabilization is \$3,950 million, or almost quadruple the cost of a mature soil bank program.

Most important, however, the cost of a stabilizing soil bank would not represent sterile support, control, and storage operations which do nothing to attack the basic causes of farm surpluses. It would be a far-seeing national investment, regardless of its adjustment value, in the future fertility of our soil and in the conservation of our water and wildlife resources.

I urge early consideration of my bill, H.R. 11930, extending, expanding, and intensifying the conservation reserve program. The program is scheduled to end with this year's contracts. It would be a grave mistake to let it expire.

There is a danger of this happening. Congress is once again confronted with the possibility that no farm legislation will be enacted because of fundamental differences between the two parties—one in control of the legislative branch and the other in control of the executive. That difference relates largely to methods or systems of price support operations and the degree of control to be exercised by the Federal Government over production or marketing. The Congress will not accept the President's recommendations. The President cannot sign the kind of farm bill this Congress is most likely to pass. We have reached a stalemate which is becoming increasingly costly for both the American farmer and the American taxpayer.

We will not be living up to our responsibilities if we let this stalemate on the most controversial aspects of farm legislation prevent action to meet our most pressing need. That need, as I see it, is to tackle the surplus problem by action to extend and expand the one farm program which is actually reducing surplus production.

Personally, I would prefer to see legislation enacted which deals with some of our urgent price and acreage problems, such as wheat, combined with an expanded conservation reserve program. I am realistic enough, however, to recognize that it is entirely possible that no agreement can be reached on price supports and acreage controls. It is for that reason that I propose we go ahead and enact what can be enacted and what is so sorely needed. I am confident that an expanded conservation reserve, once its potential is fully understood, will receive substantial bipartisan support in this Congress.

It would be tragic if we failed to seize the opportunity which we now have to make substantial progress in eliminating the farm problem.

H.R. 11930

A bill to extend and expand the conservation reserve under the Soil Bank Act

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Agricultural Act of 1960.*

SEC. 2. Section 108(a) of the Soil Bank Act is amended to read as follows:

"Sec. 108(a). The Secretary shall not later than March 1 of each year determine and announce the national conservation reserve goal for the following year. Such goal shall be the percentage which the Secretary determines it is practicable to cover by contracts during the year for which the goal is established of the number of acres, if any, by which (1) the probable acreage used for the production of agricultural commodities, plus the acreage retired from production because of governmental programs, during such year exceeds (2) the estimated acreage needed for domestic consumption, exports, and an adequate allowance for carryover during such year. The Secretary shall announce the national goal for 1961 within 30 days of the enactment of this section."

SEC. 3. Section 108(b) of the Soil Bank Act is amended by adding at the end thereof the following:

"Effective beginning with 1961, the Secretary shall give special consideration to those States and regions where it is desirable for soil conservation or production adjustment purposes to discourage the production of surplus agricultural commodities."

SEC. 4. Section 109 of the Soil Bank Act is amended:

(1) by amending subsection (a) to read as follows:

"(a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the eight-year period 1956-1963 to be carried out during the period ending not later than December 31, 1972, except that contracts for the establishment of tree cover may continue after December 31, 1977."

(2) by amending subsection (c) to read as follows:

"(c) In carrying out the conservation reserve program, the Secretary is authorized and directed to enter into contracts as rapidly as is practicable and consistent with good management in order to reach a national conservation goal, as set forth in section 108(a) of this Act, of hundred per centum at the earliest possible date."

SEC. 5. Effective beginning with contracts entered into after the date of this Act, section 107(b)(2) of the Soil Bank Act is amended by adding at the end thereof the following:

"The Secretary is authorized to provide for payment of the annual payment through the issuance of certificates which the Commodity Credit Corporation shall redeem in wheat or feed grains in accordance with regulations prescribed by the Secretary. Notwithstanding any other provision of law, no producer shall be paid an annual rental payment, or its equivalent in such certificates, of more than \$7,500 with respect to all contracts within a State to which he is a party."

SEC. 6. Section 211 of the Agricultural Act of 1956 is amended by striking out "three years" where it appears therein and substituting "six years."

substantial impact on the acreage and production of surplus crops. With approximately 300,000 contracts in effect and more than 28 million acres under contract, cropland which has been contributing heavily to the surplus build-up in recent years is being withheld from production and devoted to conservation uses under long-term contracts.

During the 1959-60 period, farmer participation in the conservation reserves more than doubled. The acreage of cropland withheld from production almost tripled, and the percentage of whole farms under contract grew to more than two-thirds of the total.

Under the conservation reserve, farmers voluntarily enter contracts to hold cropland out of production and devote it to conservation uses. After 4 years of experience, it is apparent that large numbers of farmers will participate in a program of this type. In each of the last 2 years, farmers have offered land for the program well in excess of the amount that could be accepted.

Calendar year 1960 is the last year for entering into new contracts under present legal authorization. The President has recommended an extension and an expansion to 60 million acres to bring the program to maximum effectiveness, provided the Congress passes legislation to change the price-support programs constructively.

#### HIGHLIGHTS OF 1959-60

The conservation reserve for the 1959 program year began in the fall of 1958, when the Department went to the field with a program containing a number of changes from the earlier, largely experimental years. The announced annual rental rate was raised from a national average of \$10 to \$13.50, and a greater incentive was offered for whole-farm participation. The acreage reserve for retirement of allotment crop acreages has been discontinued after the 1958 crop season, and the conservation reserve was the only soil-bank program available.

Nearly twice as much cropland was offered for 1959 contracts as could be accepted within the funds available, and a bid system was used to determine priorities. When the signing of contracts was completed in the spring of 1959, more than 12 million acres had been added to the acreage previously under contract. (See table 2.) This brought the cumulative figures on participation to 246,220 contracts with 22.4 million acres of cropland in the reserve, of which 14.8 million acres are on farms on which all eligible cropland is out of production. (See table 3.)

For the 1960 sign-up, held in the fall of 1959, the average per-acre announced rate was continued at \$13.50 with a premium for whole farms, but several program changes were made. Chief of these were the elimination of State-owned land from the program and the requirement that land be owned 3 years to be eligible for participation. The national acreage goal was set at 5.1 million acres.

Reports on the 1960 program to date indicate that this goal is being exceeded. As of February 15, 1960, progress reports from the field indicate that new acreage placed under contract for the first time in 1960 may total 6.5 million acres. (See table 2.) With contracts for about 300,000 acres scheduled to expire in 1960, the net increase for the year would total about 6.2 million acres. This would bring the total acreage in the conservation reserve during the 1960 crop season to about 28.6 million acres. That is more than 6 percent of total U.S. cropland as shown by the 1954 farm census (figures 3 and 4).

#### HOW THE PROGRAM OPERATES

The conservation reserve is a voluntary program. The farmer who participates signs a contract with the Government to place part or all of his cropland in the reserve.

This means that he will withhold the land from production and protect it with approved conservation uses. Contracts are for a minimum of 3 years; a maximum of 10.

The Government makes an annual per-acre payment for each year of the contract. The maximum annual payment that any producer may receive is \$5,000. This limit was originally determined administratively, but was required by law for 1960. The Government also pays a portion (usually 50 percent) of the cost of establishing conservation uses on the land.

A basic per-acre payment rate is set for each individual farm or part-farm for which it is requested. The rate is based on the national rate (\$13.50 in 1959 and 1960), but is determined for the individual farm on the basis of the productivity of the land and other factors. It may not exceed 20 percent of the value of the land. When all eligible cropland on the farm is to be retired, the basic rate is generally set 10 percent higher than the rate for only part of the eligible land.

After the basic rate has been determined, the farmer may apply for a contract at any figure below that rate. In cases where acceptance of all applications would exhaust available funds in a county or where more land is offered than it would be desirable to retire in 1 year, offers are accepted on a best bid basis, and contracts are offered to successful bidders. Each offer is computed as a percentage of the basic rate for the land offered and acceptance begins with the lowest percentage bid.

Only cropland is eligible for the conservation reserve. Permanent pasture or woodland is not eligible. Generally, the land must have produced a crop or been in a regular crop rotation during the year immediately preceding the first year of the contract. Publicly owned land is ineligible for the program, beginning in 1960, and so is land which has changed ownership (except by inheritance) since December 31, 1956.

The farmer who places land under contract agrees to harvest no crop from the land, permit no grazing on it and keep down noxious weeds. He agrees to comply with any acreage allotments on his farm and to place no new land in cultivation. For most farms, also, placing land under contract requires a corresponding acreage reduction in soil bank base crops (grains, oilseeds, and row crops).

Each year's program is announced as soon as possible after authorization by the Congress. Contracts are signed during the fall and winter months and ordinarily begin April 15 of the first year they are effective.

#### IMPACT ON ACREAGE AND PRODUCTION

Cropland which has been producing substantial quantities of surplus crops in recent years is being held out of production under conservation reserve contracts.

A study of the 22.4 million acres under contract in 1959 shows that 3.5 million acres were formerly devoted to corn; 3.5 million to grain sorghums; 3.2 million to oats; 2.3 million to wheat; and about 10 million acres to other crops, cropland hay and pasture and special uses (table 1). The 1960 acreage is expected to contain an additional million acres of former cornland and substantially increased acreages of the other crops, as well.

Particularly effective in checking crop surpluses is the retirement of whole farms, which is encouraged by annual payment rates that may run as much as 10 percent higher than regular rates. Approximately two-thirds of the 1959 conservation reserve acreage is in the form of whole farms. A whole farm contract takes in all eligible cropland, including acreage allotment land that would otherwise be devoted to the farm's money crop. Almost 22 percent of the whole farm cropland in the reserve in

REPORT OF THE SECRETARY OF AGRICULTURE ON THE 1959 SOIL BANK CONSERVATION RESERVE PROGRAM

#### SUMMARY

Going into the 1960 crop season, the conservation reserve of the soil bank is having



1959 consisted of allotment acres. Production adjustment is assured under whole farm contracts because no land remains for more intensive cultivation that might tend to offset the adjustment sought.

When all eligible land on a farm is placed under contract, the farm usually goes out of production entirely. Livestock is sold, and the pasture land and other noncropland is usually retired voluntarily. It appears that heavy participation in the conservation reserve by dairy farmers in the Great Lakes region should contribute to improving the dairy market situation.

The conservation reserve also contains large acreages formerly devoted to major crops which are not subject to acreage allotments, but are eligible for price support. Under contract in 1959, for example, are former grain sorghum acres equal to nearly a third of the country's total grain sorghum acreage as reported in the 1954 Census of Agriculture, as well as sizable acreages of barley, oats, flaxseed, soybeans, vegetables and other crops. (See fig. 1.)

Compared with the use of all U.S. cropland, the land placed in the conservation reserve has been relatively high in acreage of feed grains and low in acreage of cropland hay, rotation pasture, and summer fallow. As shown in figure 2, the percentage of reserve cropland formerly used for oats, barley, grain sorghum, and flaxseed was substantially higher than the percentage of all U.S. cropland used for those crops. Acreage of corn, wheat, soybeans, vegetables, and peanuts was about equal to the national average. On the other hand, only a little more than 20 percent of conservation reserve acreage was formerly in cropland hay, rotation pasture and summer fallow, compared with more than 37 percent of all U.S. cropland devoted to those uses.

Since the average conservation reserve contract covers a period of 5 to 6 years, the land put into the reserve will not be producing any crops for that length of time. This includes both the allotment land and the land customarily devoted to other crops. This helps in holding down surpluses and also reduces price support expenditures, since the volume of crops eligible for price support is reduced.

At yields appropriate for the quality and location of the land under contract, the conservation reserve in 1960 would produce about as much corn as the annual crop of the State of Ohio; nearly as much wheat as Oklahoma produces in a normal year; more cotton than the annual crop in North Carolina; and substantial quantities of other surplus crops, such as peanuts, tobacco, oats, barley, soybeans, sorghum grain, and flax. (See production estimates table 1.)

#### CONSERVATION ACCOMPLISHMENTS

Every conservation reserve contract requires the establishment of protective cover or other sound conservation uses on the cropland withheld from production. Cover may consist of grasses and legumes, trees or shrubs. Other approved uses include wildlife and water conservation (fig. 6 and table 4).

#### Trees in the conservation reserve

The conservation reserve has played a major role in the greatest tree-planting program in the Nation's history. During 1959, about 700,000 acres of cropland were planted to trees under conservation reserve contracts.

The heaviest tree-planting activity under the conservation reserve is in the Southeastern States, particularly in Georgia and South Carolina (see fig. 7 and table 4). All tree-planting contracts are for a 10-year period. When cropland goes out of production and is planted to trees, it usually can be considered to be diverted permanently from crop production.

#### Grass in the conservation reserve

Most popular conservation use of conservation reserve acreage is to establish and maintain grass cover on land retired from production. Of the 22.4 million acres in the reserve through 1959, contracts call for 14.7 million acres to be established in grass with Government cost sharing. (See table 4.) Most of this cover had actually been established as of the end of 1959. In addition, about 5 million reserve acres consist of cropland which is already in acceptable cover or will be established in grass at no expense to the Government.

Texas is the leading State in the establishment of grass cover under the program, followed by North Dakota, Colorado, and Kansas in that order. In these and other Great Plains States, large acreages formerly devoted to wheat and grain sorghums are being returned to native grasses.

#### Wildlife cover in the conservation reserve

Land formerly cropped but now in grass or tree cover feeds and shelters wildlife. In addition, the program contains specific wildlife cover practices under which cover and food plots for game are planted on conservation reserve acreage. Through 1959, contracts called for a total of more than 206,000 acres of wildlife cover. (See table 4.) This phase of the program has gained the general approval of sportsmen and wildlife organizations.

#### Ponds in the conservation reserve

Ponds may be built on conservation reserve land for water conservation and fishing. Through 1959, farmers had contracted to build about 6,400 ponds under this program. (See table 4.) These farm ponds, together with grass and tree cover, protect land by trapping water where it falls and retarding the runoff. In keeping with the conservation reserve goal of checking surpluses, ponds built under the program may not be used for irrigation.

#### Marsh management in the conservation reserve

The conservation reserve also provides for wetland or marsh management practices, under which marshland that has been drained and cropped is restored to wetland use for water and wildlife conservation. Contracts through 1959 call for a total of nearly 12,000 acres to be devoted to this use. (See table 4.)

#### PROGRAM COST

For the 1959 program year, Congress authorized a conservation reserve program of \$375 million. In planning the year's program, it was estimated that \$37.7 million of this amount would be required to make annual payments on the approximately 10 million acres placed in the program during the 1956-58 period. The rest was available for the first year's payments on new 1959 contracts and to pay the Government's share of establishing conservation uses on the newly contracted land.

On the basis of these facts, the national acreage goal for 1959 was established at 12.5 million acres and the announced national average rental rate per acre was set at \$13.50. With a 10-percent increase for putting a whole farm in the program, the applicable rate could approach \$14.85.

In actual practice, the strong competition for contracts led to a national average per-acre rate somewhat lower than had been estimated. Although more than 83 percent of all 1959 contracts were for all eligible land and thus earned a whole farm rate, the average annual payment for all new acreage under contract was only \$13.56. For all acreage placed under contract during the 1956-59 period, the Government is paying an average rental of \$11.53 per acre. For 1960, preliminary data indicate that the

average rental per acre on a new reserve acreage will be about \$12.60 as a result of still keener competition for a smaller amount of funds.

Generally speaking, it is proving possible to obtain considerably higher quality land than had been anticipated at the rental rates offered. Various reasons are given by rural people for desiring to place land in the conservation reserve. The farmer who withholds land from production in this way is protected against natural crop production hazards and gets an annual return (similar to rent from another farmer) to cover his fixed expenses and the cost of meeting his contract obligations. The conservation reserve is of assistance to widows, farmers in ill health, and older people who wish to reduce farm work or retire. One State reports that about 70 percent of its participants are more than 50 years of age. The program also assists those who wish to shift to nonfarm employment while continuing to live on farms. In these respects, it is speeding up adjustments that have been in progress for some time and ties in closely with the objectives of the rural development plan.

Now that Government cost-share payments for conservation practices under 1959 contracts are largely complete, it is apparent that practice costs for the program to date will be substantially less than had been anticipated. This is partly the result of extraordinarily favorable weather in 1958 and 1959 which produced satisfactory stands of volunteer cover in many areas. It also reflects experience which has demonstrated that satisfactory cover for a program of this type can be established at less cost, through lighter seeding and less use of minerals, than has been customary in establishing stands of grass for use as pasture and hayland.

For 1960, Congress again authorized a \$375 million program. With \$256.2 million needed to make payments on existing contracts, it was estimated that 5.1 million acres could be taken in under new contracts this year with the \$118.8 million remainder.

#### AREAS OF PARTICIPATION

Farmers in 2,864 counties in 48 States participated in the conservation reserve in 1959. Figure 5 shows cropland under contract on a county basis as compared with total cropland as reported in the 1954 Census of Agriculture.

Among the more productive areas with average or higher participation are the Maine potato country, New York grain area, Georgia-South Carolina grain and peanut counties, the Mississippi delta, Texas blacklands, Kentucky-Tennessee counties of the Mississippi Valley, Wisconsin corn area, Nebraska-South Dakota corn counties and certain important wheat counties in Washington and Idaho.

More than half of all reserve cropland is in the 10 Great Plains States, heart of the Nation's serious wheat surplus problem. Much Great Plains cropland which was planted to wheat under the pressures of the war period is now being withdrawn from crops and returned to the native grasses of the plains.

#### PROGRAM ADMINISTRATION

The conservation reserve is administered by the Commodity Stabilization Service through its Soil Bank Division, which is under the general direction of the Deputy Administrator for Production Adjustment. The program is operated in the field by the Agricultural Stabilization and Conservation State and county committees, which also administer acreage allotment and marketing quota, price support, agricultural conservation, and other programs.

The facilities of several other Department of Agriculture agencies are used in the

program. The agricultural conservation program service develops program provisions relating to conservation uses. The Soil Conservation Service provides onsite technical assistance to farmers using water con-

servation and certain other practices. The Forest Service, in cooperation with State foresters, provides technical assistance and directs a program to provide tree seedlings required for the conservation reserve. The

Extension Service uses its educational facilities in providing farmers with information about the program and advises as to conservation cover specifications at the local and State levels.

*Former use of conservation reserve cropland as compared with use of all U.S. cropland*

Crop or land use	1954 Census of Agriculture		1959 conservation reserve acres		1960 conservation reserve acres	
	Acre for crops and land uses	Percent of total cropland	Former land use (acres) <sup>1</sup>	Percent of total reserve acres	Former land use (acres) <sup>1</sup>	Percent of total reserve acres
	(a)	(b)	(c)	(d)	(e)	(f)
Hay and pasture.....	143,750,616	31.3	3,659,000	16.3	4,992,000	17.4
Corn, harvested.....	78,122,557	17.0	3,518,000	15.7	4,579,000	16.0
Wheat, harvested for grain.....	51,361,684	11.2	2,330,000	10.4	3,080,000	10.8
Oats, harvested for grain.....	37,920,704	8.2	3,237,000	14.5	4,082,000	14.3
Cotton, harvested.....	18,855,145	4.1	517,000	2.3	660,000	2.3
Soybeans, harvested for grain.....	16,444,225	3.6	860,000	3.8	1,089,000	3.8
Barley, harvested for grain.....	12,555,936	2.7	1,245,000	5.6	1,616,000	5.6
Sorghum, harvested for grain.....	11,303,915	2.5	3,458,000	15.4	3,837,000	13.4
Flaxseed, harvested.....	5,178,643	1.1	176,000	0.8	599,000	2.1
Vegetables, harvested.....	3,739,994	0.8	176,000	0.8	224,000	0.8
Peanuts, picked and threshed.....	1,270,386	0.3	113,000	0.5	148,000	0.5
Tobacco, harvested.....	1,557,039	0.3	11,000	0.1	15,000	0.1
Dry edible beans.....	1,455,239	0.3	67,000	0.3	84,000	0.3
Irish potatoes, harvested.....	1,210,872	0.3	29,000	0.1	39,000	0.1
Other crops, harvested.....	19,896,290	4.3	1,365,000	6.1	1,703,000	5.9
Summer fallow.....	28,631,403	6.2	1,034,000	4.6	1,342,000	4.7
Idle and failure.....	32,077,241	7.0	925,000	4.1	1,229,000	4.3
Total (includes multiple use) <sup>2</sup> .....	466,334,889	101.2	22,977,000	102.5	29,318,000	102.4
Total (excludes multiple use) <sup>3</sup> .....	459,648,961	100.0	22,422,000	100.0	28,620,000	100.0

<sup>1</sup> Estimated acres which would have been devoted to this use without a conservation reserve program. It should not be assumed that acreage was reduced to this extent below the previous year because some of this land went under contract in each of the years 1956, 1957, 1958, 1959, and 1960.

<sup>2</sup> Includes acreage devoted to fruits and nuts, which is ineligible for the conservation reserve program, but which is included in census total cropland acreage.

<sup>3</sup> Variations between total lines are due to double cropping, crop failure replanted, and similar unusual land uses. Conservation reserve acres reported as of Aug. 14, 1959, for 1959 and estimated Dec. 1, 1959, for 1960.

TABLE 1.—Estimated adjustments in specified land uses and production due to 1959 and 1960 conservation reserve programs

Former cropland use	Estimated acreage adjustment		Estimated production adjustment			Former cropland use	Estimated acreage adjustment		Estimated production adjustment		
	1959 revised	1960 preliminary	1959 revised <sup>1</sup>	1960 preliminary <sup>1</sup>	Units		1959 revised	1960 preliminary	1959 revised <sup>1</sup>	1960 preliminary <sup>1</sup>	Units
	Thousands	Thousands	Thousands	Thousands			Thousands	Thousands	Thousands	Thousands	
1. Corn.....	3,518	4,579	148,099	183,174	Bushels.	13. Irish potatoes.....	29	39	5,900	9,063	Hundred-weight.
2. Wheat.....	2,330	3,080	46,130	61,607	Do.	14. Hay and pasture.....	3,659	4,992	5,854	7,587	Tons, hay equivalent.
3. Cotton.....	517	660	407	491	Bales.	15. Vegetables.....	176	224			
4. Peanuts.....	113	148	106,581	131,905	Pounds.	16. Other crops.....	1,360	1,696			
5. Rice.....	5	7	165	215	Bags (100 pounds.)	17. Summer fallow, idle and failure.....	1,959	2,571			
6. Tobacco.....	11	15	17,296	23,332	Pounds.	18. Total, including duplication <sup>2</sup> .....	22,977	29,318			
7. Oats.....	3,237	4,082	108,115	139,589	Bushels.	19. Estimated reserve acreage <sup>3</sup> .....	22,422	28,620			
8. Barley.....	1,245	1,616	32,626	42,496	Do.						
9. Soybeans.....	860	1,089	18,402	21,236	Do.						
10. Sorghum grain.....	3,458	3,837	122,069	108,984	Do.						
11. Flaxseed.....	433	599	2,686	4,369	Do.						
12. Dry edible beans.....	67	84	683	799	Bags (100 pounds).						

<sup>1</sup> Production adjustment for 1959 is based on 1959 crop yields adjusted for location and quality of reserve acres; 1960 estimate is based on recent normal yield adjusted for location and quality of participating land.

<sup>2</sup> Item 18 exceeds item 19 because of double cropping, crop failure replanted and similar unusual land uses. Total reserve acreage was estimated based on most recent allocation of authorization funds to States and indicated costs per acre.

**USDA REPORTS 6.3 MILLION NEW ACRES IN CONSERVATION RESERVE IN 1960**

New acreage placed in the conservation reserve of the soil bank in 1960 exceeds 6.3 million acres, surpassing the announced acreage goal for the program year by more than 1 million acres, the U.S. Department of Agriculture reported today.

The Department said reports from county agricultural stabilization and conservation offices have been tabulated showing a preliminary total of 6,317,946 acres that will be in the program for the first time when the new contract year begins April 15, 1960. The acreage goal was announced last summer at 5,100,000 acres—the estimate at that time of the new acreage that could be taken into the conservation reserve this year with available funds.

The larger acreage accepted for contracts is chiefly the result of two factors: (1) Conservation practices are being established

more economically than in the past; and (2) per-acre annual payment rates under 1960 contracts are lower than anticipated. The competitive bidding system used in awarding contracts has resulted in an estimated average annual rental payment for the new 1960 acres of \$12.90 per acre, compared with a national average per-acre rate of \$13.50 announced in advance for the year. Field reports also indicate that the quality of land placed under contract in 1960 is higher than in any previous year.

The preliminary report for 1960 brings the cumulative total of conservation reserve contracts that will be in effect this year to 305,003 contracts involving 28,432,186 acres. Both annual and cumulative totals will be increased slightly when work is completed on approximately 3,000 contracts still being processed.

Approximately 80 percent of the farmers placing new land in the program for 1960

elected to come in on a "whole farm" basis; that is, to place all their eligible cropland under contract. This is of maximum effectiveness in checking surplus production, since the entire farm is withdrawn from crops and usually from livestock production as well.

Under a whole farm contract, the family may continue to live on the farm, and recent field studies indicate that most of them are doing so. In some instances farmers who would have sold and moved off their farms are retiring and continuing to live on them. Some who have shifted to nonfarm work and are continuing to live on their farms said they would have moved to towns or cities if they had not had the opportunity to obtain a reasonable return from their farm property through the conservation reserve.

New conservation reserve participation will be particularly heavy in 1960 in wheat-producing areas. The five leading States in new



1960 acreage—accounting for more than a third of the total—are Kansas, North Dakota, Oklahoma, South Dakota, and Texas, all major wheat States. During the 1960 crop season the reserve will contain more than 3 million acres formerly devoted to wheat. For other crops, 14 million acres formerly devoted to feed grains, nearly 2 million acres formerly devoted to oilseeds, and 660,000

acres formerly producing cotton will be in the conservation reserve and out of production.

The conservation reserve is a program in which farmers voluntarily sign contracts with the Government to retire cropland from production and devote it to conservation uses, such as grass and tree cover and wildlife shelter. The contracts provide that the Government will make an annual rental pay-

ment to the contract signer and will assist in establishing the conservation use on the land. Contracts may be for 3 to 10 years, depending upon the conservation use to be established and the wishes of the farmer.

The accompanying table shows, by States, the preliminary figures on number of contracts with new 1960 acres, number of new 1960 acres, and 1959-60 cumulative totals on number of contracts and acres:

Conservation reserve program: Contracts and reserve acres for 1960 new participation and cumulative participation (preliminary)

State	Number of contracts with 1960 new acres	1960 new acres	1959-60 cumulative total contracts	1959-60 cumulative total acres	State	Number of contracts with 1960 new acres	1959-60 acres	1959-60 cumulative total contracts	1959-60 cumulative total acres
Alabama	2,141	110,382	8,217	401,100	Nevada			1	13
Arizona			66	7,397	New Hampshire	101	2,409	456	11,911
Arkansas	2,535	147,226	9,552	604,630	New Jersey	367	15,991	1,089	50,627
California	229	40,683	1,091	205,768	New Mexico	5	660	3,505	865,404
Colorado	368	85,789	4,690	1,267,215	New York	3,208	166,858	9,687	511,386
Connecticut	52	1,243	199	4,807	North Carolina	2,477	82,414	7,789	268,307
Delaware	50	2,874	284	18,404	North Dakota	3,979	855,695	12,141	2,661,348
Florida	641	65,603	2,199	231,295	Ohio	3,090	184,679	8,905	619,872
Georgia	4,040	270,407	15,159	1,050,686	Oklahoma	3,720	295,866	16,893	1,471,573
Idaho	465	72,858	1,534	292,538	Oregon	505	50,956	2,278	235,906
Illinois	1,335	99,027	6,157	440,816	Pennsylvania	2,767	135,567	7,362	373,137
Indiana	2,239	137,529	7,837	488,826	Rhode Island	1	25	4	62
Iowa	1,912	175,039	7,690	656,221	South Carolina	3,522	175,462	11,893	635,782
Kansas	2,826	323,596	12,631	1,439,857	South Dakota	3,556	545,567	10,972	1,807,683
Kentucky	1,053	80,648	5,324	373,593	Tennessee	2,034	139,063	7,886	489,058
Louisiana	672	40,734	3,248	214,516	Texas	5,047	417,891	33,769	3,639,465
Maine	775	37,021	2,713	125,225	Utah	157	28,319	654	237,641
Maryland	349	18,290	1,494	85,115	Vermont	225	8,572	1,019	33,662
Massachusetts	29	849	115	2,971	Virginia	695	38,066	2,404	116,287
Michigan	3,773	240,334	11,649	716,041	Washington	534	66,626	2,200	333,207
Minnesota	2,769	219,059	20,762	1,945,674	West Virginia	798	20,986	1,821	58,786
Mississippi	1,126	52,639	5,842	335,991	Wisconsin	4,002	251,796	12,666	767,135
Missouri	2,890	230,052	10,894	831,340	Wyoming	97	22,228	548	124,110
Montana	481	156,384	1,992	606,142					
Nebraska	1,795	203,384	7,392	873,656	Total	75,432	6,317,946	305,003	28,432,186

#### APPRECIATION FOR THE CARE OF EASTER SEASON VISITORS TO THE CAPITOL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I want to pay tribute to you, to the employees of the House, to the guides, the attendants in the gallery, and to the police, inside and outside the Capitol, for the fine way they have handled the tremendous crowds that have been milling in and out of the Capitol in the past days. It has been a tremendous happiness to me that such could be the case, because with the crowds there were inside and outside the Capitol there easily could have been a riot without understanding police. Everybody deserves the greatest possible credit and appreciation.

Many, many thanks, Mr. Speaker.

#### LEGISLATION PROPOSED TO DEFINE THE AUTHORITY OF MONITORS EMPLOYED IN LABOR UNION DISPUTES

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. KASEM] is recognized for 1 hour.

Mr. KASEM. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KASEM. Mr. Speaker, today I introduced legislation which was previously introduced by the chairman of our Subcommittee on Claims, the gentleman from Massachusetts [Mr. LANE] pertaining to the scope of the authority of the monitors who are employed in labor union disputes or in labor union affairs. May I say that other Members besides myself have introduced identical legislation. We seek in this legislation to curtail the function of the monitors so that they will not operate and supervise unions but that they be confined to the duty of conserving the assets.

In this bill we put forth what has long been considered by most lawyers to be the law, but developments recently in the Cunningham against English case, or better known as the Teamster case, has caused us to have most serious doubts.

The proposed legislation would amend the Norris-La Guardia Act by prohibiting Federal courts from appointing receivers or other officers to administer or govern the internal affairs of a labor organization, except to preserve assets pursuant to the union election provisions of the Landrum-Griffin Act.

This proposal is intended to insure that the Federal courts will not assume the function of running labor unions.

The proposal keeps unimpaired the traditional judicial power to redress wrongs by the judge's own order. It prohibits only use of the authority of a Federal court to run a labor union. No judge can supervise the running of union by himself; participation of sub-

ordinate judicial officers is necessarily required. The bill proposes to accomplish its object by prohibiting the use of subordinate officers for this purpose, thus leaving traditional judicial power unimpaired. The proposed legislation will not come into play as long as the judge does not delegate any part of his authority to a receiver or similar officer, as long as he is acting himself in the familiar context of judicially cognizable cases and controversies. The principle underlying this proposal is that the function of the Federal courts is to decide particular cases and not to undertake general supervision over labor organizations.

This is a familiar but fundamental principle. Because of it, the Federal courts have refused to impose receiverships even upon business enterprises in the absence of clear proof that no other remedy is available to preserve the assets from imminent danger of dissipation. And except as specifically provided by statute, they have granted receiverships only in few, special cases, most often insolvency. Certainly the Federal courts have never assumed control merely because they believed the business could be run better or with higher morality. Never has a receivership rested on the character of the actual managers, as opposed to the impact of their conduct on the financial standing of the business. Never has a court even hinted that it might entertain a possible belief that it could order a business "into receivership for moral insolvency at the top level." This was the suggestion recently made by Godfrey P. Schmidt, as a basis for imposing a Federal receivership on a labor union. Deposition, April 6, 1960, in

*Cunningham v. English* (U.S.D.C., D.C. C.A. No. 2361-57, p. 75).

The Supreme Court has consistently condemned receiverships for the sake of receiverships. Time and again it has declared that a receivership must not be granted as "an end itself" (*Kelleam v. Maryland Casualty Co.* (312 U.S. 377, 380), *Gordon v. Washington* (295 U.S. 30, 37)), but only for the few legitimate ends long recognized in the law. Accordingly, the Federal courts have been most reluctant to impose receiverships. Typical is the following statement in *Skirvin v. Mesta* (10th Cir., 141 F. 2d 668, 673):

A court should be cautious and circumspect in the exertion of the remedy because perversion or abuse may work great hardship.

In the case of labor organizations the potential evils resulting from perversion or abuse of the power to impose receiverships are multiplied. Labor organizations are voluntary associations, created and maintained to serve the interests and welfare of the membership. Federal law protects and guarantees the right of the members to select their own officers and determine internal union policies, the freedom of the members to exercise that right, and affords a member redress against violators.

Mr. BRAY. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to the gentleman from Indiana.

Mr. BRAY. I have not read the bill that the gentleman refers to but I have briefly studied the bill introduced by the gentleman from Massachusetts [Mr. LANE], in the Judiciary Committee. Is the bill that the gentleman is introducing or has introduced the same or similar?

Mr. KASEM. It is identical. I might further add that the bill was introduced at the request of a member of the executive committee of the AFL-CIO.

Mr. BRAY. There is one other question I would like to ask. How long ago was it that these monitors were appointed, roughly?

Mr. KASEM. Well, certainly in excess of 1 year ago, in the case of the Teamsters. And in that case they were selected pursuant to a stipulation between the adversary parties. However, the court took it upon itself to extend the time, the original stipulation being for 1 year, and to alter the terms of the stipulation.

Mr. BRAY. Was there any agreement between the parties, in the stipulation between the parties, changing the length of time and the powers of the monitors?

Mr. KASEM. No. I believe, on the contrary, that it was resisted by one of the parties defendant.

Mr. BRAY. I would like to ask another question. At the time these monitors were appointed, as I recall, that was brought about by a suit filed in the Federal court by 13 or 16, some number, of members of the Teamsters Union alleging that the last national election, as I recall it, was rigged; is that correct?

Mr. KASEM. Yes, that is the case. There was an allegation of certain improprieties in the selection of the dele-

gates, and they asked the Federal court to stay—I forget just actually what the legal remedy sought was, but it was to prevent the assumption of the presidency by James Hoffa.

Mr. BRAY. Then, in a general way, they were alleging that the election was unfair and that steps be taken to have a fair election to protect their rights as members and having a fair election; is that generally what happened?

Mr. KASEM. This was the reason for the stipulation, to provide for the appointment of monitors as caretakers and to provide for an election that would be of a proper character.

Mr. BRAY. Now, who was the other party? Was it the International Teamsters Union, or was it Mr. Hoffa and other members of the union, or do you recall?

Mr. KASEM. The defendants in the case were—well, technically, I better be careful about it.

Mr. BRAY. It is not material, but at least there was a suit filed by 13 union members wanting an election?

Mr. KASEM. Yes.

Mr. BRAY. Then the court did not order an election but it appointed these monitors; is that correct?

Mr. KASEM. The stipulation, if I am correct, provided that the plaintiff would appoint a monitor, the plaintiff being the 13 members, bringing a class suit on behalf of the entire membership, and the administration of the union or, in effect, Mr. Hoffa as the defendant would appoint one, and the court would appoint the third monitor, there being three monitors.

Mr. BRAY. Has there ever been an election ordered by these monitors or by the Federal court?

Mr. KASEM. No, there has not been, and there have been repeated requests. There are presently, I believe—I do not know what the figure is—60,000 or 100,000 members of the Teamsters Union that have petitioned for their rights as now provided under the Landrum-Griffin bill for a new election. Prior to that there was action taken by members saying they substituted themselves as the representative parties for the membership holding that the 13 did not act on behalf of the membership in not pursuing the demand for an election.

Mr. BRAY. Now, the original plaintiffs, 13 in number, and those additional ones that have come in, all of those have asked for an election?

Mr. KASEM. Yes.

Mr. BRAY. Generally they have asked for an election. The head of the Teamsters Union, Mr. Hoffa, and the other members, have they asked for an election?

Mr. KASEM. Well, I cannot really answer you, but I understand they want an election very badly and they are now pressing for it.

Mr. BRAY. I have been getting letters from members in my district—I assume they are members of the Teamsters Union—personally I know some of them are—and generally they are asking to be given an election guaranteed, well,

by the Landrum-Griffin bill, I guess. Anyway, it was guaranteed earlier than that. Do you know of any reason why they have not been given the right to have an election?

Mr. KASEM. I could speculate on the reasons arising from the attitude of the court, and so on, but I really have nothing to back it up with. I do not know the real reason. All I know is that they have been denied an election. Perhaps I could enlighten my colleague by reading him a letter written by William Goffen which was published in the "Letters to the Editor" column of the Washington Post, where he deals with this subject. It is not too long and I would interrupt my dissertation long enough to read it. The title is "Monitors in Trouble":

Upon reading your April 12 editorial entitled "Monitors in Trouble," one cannot help but wonder whether the Washington Post, great newspaper though it is, gets all its information on the monitorship from O'Donoghue and Schmidt.

And as an aside I think these two gentlemen were two of the three monitors.

Since when is it in "the public interest" to let two anti-Teamster monitors, O'Donoghue and McShane, function while barring a Teamster representative? William E. Bufalino, a lawyer and union official, should not be blacklisted by reason of a metaphor applied by a publicity seeking, labor-baiting Senator.

Since I do not know who that is, I cannot be accused of violating a personal privilege.

Certainly the Teamsters have a right to the representative of their choice, subject to removal only for just cause, at least as clearly as the dissident union members had to representation by Schmidt until his resignation after the Court of Appeals for the District Circuit found him guilty of conflict of interest.

And when did it become a monitorship obligation "to purge the union," especially since the Secretary of Labor has found full compliance with the Landrum-Griffin Act provisions prohibiting the holding of office by persons convicted of certain crimes? The primary purpose of the consent decree of January 31, 1958, was the holding of a new election of union officers in 1 year, after which the monitorship was to be dissolved.

Instead, the monitorship has succeeded in turning its appointment into a perpetual political plum, costing the rank and file so far about \$1 million. While the monitors have thus found it profitable over the past 2 years to publicize that purging the union is a prerequisite to an election, actually an election by secret ballot could have been arranged within 3 months, as has been attested by the Election Institute, labor election specialists.

The deprivation of 1.6 million Teamsters of their right to vote for the international officers of their choice is no more defensible, legally, than to deprive stockholders of the right to vote for the officers of their corporation.

Instead of furthering the public interest, the dangerous precedent created by such lawless action is a threat to all segments of our economy far transcending any monitorship threat to Hoffa. If, instead of trying to get Hoffa, the monitors performed their lawful functions, they would at long last permit an election, the democratic way for "purging" any group.



I hope that helps to enlighten my colleague.

Mr. BRAY. One more question, if the gentleman will permit. Does the gentleman believe that his bill, if enacted, would get for the Teamsters Union—I am not talking about Mr. Hoffa, but for members of the Teamsters Union—the right to elect their officials?

Mr. KASEM. I would hope it would. I cannot assume that that would necessarily follow, but I think that it would probably follow: The monitors have an assigned function. If they were limited by law in the supervisory activity that they have usurped for themselves they would then, perhaps, get to the business that they were created for and provide an election so that the 1.6 million Teamsters in the United States could elect their representatives and let them pass on the character of their officers, which is the democratic process.

Mr. BRAY. Has the gentleman made any study as to any legislation that might be better than this that would give them the right to elect their own officials as they see fit?

Mr. KASEM. There was a bill passed in this Congress some time back which is popularly known—I do not know if it is popularly known, but is commonly known—as the Landrum-Griffin bill. That bill contains provisions that would effect that end. So far it has failed to achieve that result.

Mr. BRAY. Plainly they have not had their election. I am trying to find some method whereby the members of any union through the democratic process can elect their leadership. This is my only interest, not for any special individual, but it is the handling of it in the democratic way. I frankly thought that there was legislation that did give them that right. At least, if there is such legislation something has failed in the administration of it because up until late today they had not got the right to have their election.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to the gentleman from Michigan.

Mr. GRIFFIN. In order at least to have the record straight, would the gentleman agree with the fact that the Teamsters election out of which grew the appointment of the monitors took place prior to the enactment of the labor law last year?

Mr. KASEM. Yes.

Mr. GRIFFIN. The law applies prospectively, and applies to elections held after that date. Would the gentleman agree with that?

Mr. KASEM. Yes. It applies insofar as any provisions that would be in effect as to the results of the election.

Mr. GRIFFIN. In other words, any election held after the effective date of the act could be challenged under the provision of that act, but any election held prior to that act would not be subject to that act.

Mr. KASEM. No, I think the election was successfully challenged without the need or use of the Landrum-Griffin bill.

Mr. GRIFFIN. That is right, it was challenged before the act became ef-

fective and the monitors were appointed pursuant to a consent decree.

Mr. KASEM. Right.

Mr. GRIFFIN. I think that somewhat clarifies why this act is not completely applicable.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Within the framework of that explanation as to the effective date of the act, is it not correct that the election that had been held in the Teamsters' Union prior to the passage of the act had been set aside by the Court when the monitors were appointed under a consent decree?

Mr. GRIFFIN. No; if the gentleman will yield for a reply, I do not believe the election was set aside. As I understand it there was no further challenge to the election after the parties entered into a stipulation agreeing to entry of a consent decree allowing Mr. Hoffa to continue as president provisionally. This was an arrangement agreed to by the parties to the litigation.

Mr. KASEM. May I address a question to the gentleman from Michigan? The gentleman from Michigan does agree with me that the present arrangement was made for the purpose of having subsequently thereto, or provisionally, an election that would satisfy the courts of the democratic process?

Mr. GRIFFIN. Certainly, it is my understanding that the original petition of the 13 dissident members was for that purpose, and if the attorneys or those representing the Teamsters Union at the time had not agreed to a consent decree, I believe the probable outcome of the proceedings would have been a new election. But instead of allowing the proceedings to take a regular course, the parties agreed to entry of the consent decree which permitted the court, without challenge to its jurisdiction, to appoint the monitors.

Mr. KASEM. Does the gentleman contend that the monitors' notice to provide an election or that this monitorial arrangement supersedes an election?

Mr. GRIFFIN. No, I would suppose that in due course the court would order a new election. I would imagine, though, that it might be of interest to the members of the Teamsters Union to see the outcome of the present litigation in which Mr. Hoffa's right to serve as the president has been questioned. I believe that trial is about to begin. I think the people of the country as well as the members of the Teamsters Union might like to see what evidence is developed in that proceeding.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield so I may propound another question to the gentleman from Michigan [Mr. GRIFFIN]?

Mr. KASEM. I yield.

Mr. PUCINSKI. Is it correct then that without the consent decree that was entered into, setting up the present president as a provisional president, one of the duties of the monitors was to create a situation and set up a situation where in the election would be held. And do I understand the history of this case properly in assuming this particular road

was taken at that time because there was no law on the books to deal with this particular situation? Subsequent to that, the 1959 act was passed and now there is machinery for finding redress of grievances in the words of the phrase used by the dissident group. Is my understanding of that quite correct along those lines?

Mr. KASEM. I yield to the gentleman for a reply.

Mr. GRIFFIN. Of course, I cannot tell you what was in the minds of the parties when they entered into the consent decree. I am not particularly trying to pass my judgment on the advisability of setting up the monitorship in the first place. I arose originally only to comment on the jurisdiction of the court to do so and the applicability of the new labor law.

Mr. KASEM. I would like to ask the gentleman from Michigan, who is a co-author of the Landrum-Griffin bill, if he feels it is proper for a Federal court to take supervisory powers over a labor organization and to manage the affairs of a labor organization.

Mr. GRIFFIN. I certainly think whenever a court of equity assumes such power and appoints a receiver or appoints monitors or otherwise takes over an organization, whether it be an association, a corporation or a labor union, it should be a very unusual situation for it is an extraordinary procedure to be exercised by a court. There is no question about that. Whether or not, and for how long this receivership or monitorship should continue, I certainly am not going to pass judgment. There are remedies available to the parties. If the court of equity exceeds its power, the situation can be corrected by appeal to a higher court.

Mr. KASEM. May I ask the gentleman, when such a situation as this arises, should it not be the object of the court and its officers to bring that situation to a halt and terminate the jurisdiction of the court as soon as it is practicable to do so?

Mr. GRIFFIN. I think as a general proposition that is a good statement. I certainly would not comment on what would be the appropriate length of time in this particular proceeding and I do not think this is in our province nor would it be appropriate for us to do so.

Mr. KASEM. Wherever it appears that a situation was created because of improprieties in an election and that this could be corrected by the holding of a new, proper, and correctly held election, that should be expedited as soon as possible; would that not follow?

Mr. GRIFFIN. I can only recall for the gentleman the fact that the monitorship was established by the consent-decree agreement of the parties to this litigation. If they do not like this position, it should be recalled that they put themselves in it.

Mr. KASEM. Yes, and I might remind the gentleman there is no provisional law that permits a court to continue a stipulation beyond the agreed time or to alter the provisions of it, as has been done here.

May I go on and finish my statement?

It is abhorrent to our system to allow outsiders, and particularly judicial officers, to supersede this right of union members or dictate to the union, through receivership or other supervisory techniques, the practices or policies or officers it may or may not have.

This is not to say that unions are or should be immune to general legal standards; or that courts may not protect the rights of union members as established by law. But determination of what general policies and standards are to govern the internal affairs of unions is a legislative, not a judicial, prerogative. And Congress has fixed such policies and standards as it wished to establish in this area in the Landrum-Griffin Act.

The fundamental principle underlying that legislation is that ultimate responsibility for operating a union, for its policies and its choice of officers must be lodged in the membership. Secretary of Labor Mitchell expressed it as follows, in testifying for the bill:

The administration does not believe that the Government should inject itself into the internal affairs of any organization more than is absolutely necessary to correct the evils which must be remedied. We believe that it is wise to proceed cautiously and to leave as much as possible to the responsibility to improve their own organizations which informed union members may be expected to exercise when they have access to the necessary information and the right by secret vote to select and to remove the officers whom they entrust with administration of their organization.

Congress intended that this policy apply in the case of union elections. This is demonstrated by the following comment in the Senate committee report:

One final point is significant. Since union business must not be brought to a standstill whenever an election is challenged, it is necessary to make some provision for the conduct of business while the proceeding is in progress. It would be intolerable for the Government to appoint outsiders to act as receivers. . . . A union election should be presumed valid until the contrary can be reasonably established. There would be the least disruption of normal procedure within the union if they were continued in office. However, the ultimate decisions upon this point should be made by the labor unions themselves (S. Rept. No. 187, 86th Cong., 1st sess., 22 (1959)).

The provisions of the act effectuate this policy of leaving the final determination to the membership under all circumstances. Even where the Federal court and the Secretary of Labor find that a union election has been "rigged" or otherwise invalid, Congress prescribed that the officer may not be removed except upon a membership vote—section 402. And even if there is a finding that the union officer has been guilty of serious misconduct in office, the ultimate remedy is a membership vote on his removal. Section 401(h). If the membership votes to retain him, he stays in office. His background may be unsavory; his election may originally have been obviously invalid; his misconduct in office may be gross. But if the membership so desires, he retains his union office. In no circumstance can a union officer be removed if the membership desires to retain him in office.

The clear, deliberate congressional policy in Landrum-Griffin is that the union membership decides who its officers shall be, the union membership exclusively. It is not the courts. It is not the Secretary of Labor. It is not the complaining member or any dissident minority. It is not any outsider and certainly not any public official. Congress could obviously have qualified the exclusive control of the membership; it did, after all, assign certain roles to the Secretary and to the courts. But Congress was very clear and certain about the fundamental values of democracy and free associations which it was intent on preserving and protecting.

This legislation is essential to maintain that congressional purpose. To permit a Federal court to run a labor union is to frustrate the policy carefully enacted by the Congress. To permit a Federal court to regulate the qualifications of candidates for union office, or to veto any particular individual, is the antithesis of the policy expressed in Landrum-Griffin. The purpose and the effect of that act is to vest sole and final selection of union officers in the union membership. The proposed legislation insures this result by prohibiting Federal courts from making the decisions and choices which Congress has reserved for the membership.

This legislation is necessary to preserve the reputation, dignity and stature of the Federal courts. Just as the Norris-La Guardia Act was necessary in the face of injunctions in labor disputes, this proposal is necessary in the face of receiverships or monitorships over labor organizations. That judicial officers should supervise labor unions is contrary to the fundamentals of our jurisprudence. It involves the courts in performance of legislative and administrative—that is, by definition, nonjudicial—functions. Moreover, it is destructive of the standing of the Federal judiciary, for it casts the court in the role of partisan, striving to attain a predetermined objective, rather than in the accustomed role of adjudicator of causes under law. And it is further detrimental to the welfare of the judicial system because it bogs the courts down in a morass of details and controversies arising from monitorial assumption of the tasks of administering a labor union.

These evils are illustrated by the course of *Cunningham v. English* (U.S. District Court for the District of Columbia, Civil Action No. 2361-57). In that case, as a result of a consent decree, pending conduct of a new election and convention, the court undertook to supervise compliance by officers of the Teamsters Union with provisions of the international constitution, to police their observance of fiduciary standards and to institute administrative and procedural reforms within the union. This was to be accomplished through the device of a three-man board of monitors, officers of the court, one to be designated by the plaintiffs, one by the defendants and one by the parties jointly. This device has not been successful in achieving results or in bringing the litigation to an end. Indeed, although the protections afforded

by the Landrum-Griffin bill themselves guarantee that a fairly and honestly conducted convention and election may now be held and that officers as elected will fairly reflect the democratic choice of the membership, a new convention is being blocked in order to perpetuate judicial control over the union. Since the monitorship will terminate only after a new election of officers, the end of the case is nowhere in sight. The court has become embroiled in internal union controversies and its very impartiality has been publicly questioned.

There has been sharp controversy not only between the Board and the union; but, in addition, within the board of monitors itself. For a considerable period the plaintiffs' monitor, who was also the plaintiffs' attorney, and the jointly nominated monitor saw eye to eye and voted together, with the monitor nominated by the defendants frequently in opposition. The plaintiffs' monitor, faced with conflict of interest charges, resigned. His successor at first agreed with the jointly nominated monitor and then, on important issues, began to oppose him and to vote with defendants' monitor. Judge Letts thereupon removed the plaintiffs' monitor, because, the Wall Street Journal says, the judge thought "he did not have his heart in his work."

To replace him the court appointed a former FBI agent who had earlier investigated Hoffa. He was nominated, however, by Godfrey P. Schmidt, the original attorney and monitor for the plaintiffs, who was discharged by the plaintiffs. Schmidt had already been repudiated by his clients before he nominated McShane as plaintiffs' monitor. Moreover, when the defendants' monitor asked to resign for reasons of health, the court refused to allow him to do so.

Furthermore, over 160,000 members of the union are now seeking to intervene in the suit, claiming that the membership is inadequately represented by the 13 members who originally brought suit in a class action nominally on behalf of all members. Those seeking intervention claim that the court, through a majority of the board of monitors, is determined to oust Hoffa and prevent him from running for union office without giving the membership an opportunity in a free, fair and honest election to vote for or against him. They claim that the monitorship is being deliberately prolonged until that goal has been accomplished. They say that the litigation is being maintained, not in the general membership interest, but to foster the interests of a dissident minority represented by plaintiffs, as against the majority of the membership.

The damage this has wreaked upon the Federal courts is reflected in the April 6, 1960 editorial of the Wall Street Journal. This editorial pointed out that the record in the case left the court open to a charge of "rigging" the board against Hoffa. It decried the fact that "a Federal court has become as entangled as this one in trying to manage the Teamsters." With evident regret it observed that "a Federal judge with other



judicial duties has to spend a great deal of time trying to run a labor union." This kind of public comment, particularly if it is justified, does harm to the Federal courts which the Congress should prevent.

This proposed legislation will enable the Federal courts to devote themselves to their normal judicial functions, without the need to consider or undertake the administration of a labor organization. This legislation will further the purpose of having union membership, rather than judicial officers, run labor unions. It is consistent with the fundamental nature of our economic and political system, and with Congressional legislation in this field. This proposed legislation should be supported and enacted.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield.

Mr. O'NEILL. I want to congratulate the gentleman from California, Mr. Speaker, on his fine remarks and to say that I am in favor of the bill filed by my colleague from Massachusetts [Mr. LANE]. Possibly tomorrow, or within a day or two, I intend to introduce a similar bill.

I had a few remarks to say the other day when I believe the gentleman from California and other Members were talking about the Teamsters Union. I explained about the Teamsters Union in Massachusetts. That is the only place with which I am familiar with them. I know Nick Morrissey who is the New England regional director for the Teamsters. I have a very high regard for him as a friend and neighbor and all who know him, who live near him or have dealings with him have the same high regard for him that I have.

Last year we passed the Landrum-Griffin Act. I was one of 50-odd who voted against it. I voted for all the substitutes, I believe, with the exception of the Shelley bill. The Landrum-Griffin bill is the law of the land. I think it is a ridiculous situation when you take into consideration the fact that the Teamsters Union are paying about \$2,000 a day, coming out of the pockets of the hard-working men who drive these over-the-road trucks and who are responsible for our great highway transportation freight hauling system in this Nation, that they should have to pay at the rate they are presently paying for this board that has been set up by the court.

The Landrum-Griffin bill is the law of the land, and I think as the law of the land it should take precedence and take the place of the present setup. I think the legislation that has been introduced recently on this subject should be passed by the Congress. I think the judge should step out.

If there is anything wrong with the Teamsters Union—I am not arguing whether they are clean or not clean, for as I say all I know is the local situation in my State, but I believe a national election should be held, and I believe once and for all the law of the land should be lived up to and we should get rid of the monitor system as presently set up.

Mr. KASEM. I thank the gentleman from Massachusetts for his remarks. I

may say also that I have had but little contact with the Teamsters Union, but those few members of the Teamsters Union I have known have seemed to me to be persons of splendid character. I did not introduce this bill for the specific purpose of helping Mr. Hoffa or the Teamsters Union or any private group.

Mr. O'NEILL. I understand how the gentleman feels. I feel the same way. I may say that in the past 10 days my office has been barraged by members of the Teamsters Union, and I mean by the rank-and-file members of that union. I live in a metropolitan area in a city which is comprised of hard, honest-to-goodness working men. Throughout my political career I have come in contact with a great many men in all types of unions. I also have surveyed the letters that have come through. It is not a run-of-the-mill letter. These are written by men who have confidence in their own local, realizing it has done for the working men of our area a great good. They are sincere when they write me, and they are truthful with me when they ask their Congressman to give them some help in this matter.

Again I want to congratulate the gentleman from California for his outstanding courage and for the remarks he has made on the floor of the House this afternoon.

Mr. KASEM. I thank the gentleman for furnishing this information. It simply strengthens my resolve that legislation will be enacted so that the Federal courts cannot take unto themselves the jurisdiction of the monitoring of a labor union. Obviously this would take us back to the pre-Norris-La Guardia days when the injunction was the device used to beat labor unions into submission. Now a new device has been created, and all we need for this device to be employed is a Federal judge with anti-labor tendencies.

Mr. O'NEILL. May I say at that point I am highly in agreement with the gentleman.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to my distinguished majority leader.

Mr. McCORMACK. I concur in the remarks made by the gentleman from Massachusetts [Mr. O'NEILL]. I know Mr. Morrissey very well. I have known him for many years. He is a dedicated American. He is one of the most able, outstanding labor leaders I have ever met. In any situation that exists a distinction must be drawn, it seems to me, between the members of the Teamsters Union throughout the United States and any individual or individuals therein. I am not passing judgment on any individual or individuals. The Teamsters Union nationally is composed of American citizens. Their patriotism has never been impugned or attacked. The members of that union are good citizens in their various communities and from my observation of them in Massachusetts they are a very powerful, dynamic union, an organization composed of men of real patriotism who are for a strong America. My relation with them throughout the years has been a most

pleasant one. I have profound respect for them—for the leaders in the New England area and for the members of the union itself. I have respect for members of organized labor as American citizens. Care should be taken to differentiate between an individual here and there and a great organization like the Teamsters Union, either locally or nationally.

Mr. KASEM. The encouragement of my majority leader means a great deal to me, and I am very grateful for his remarks.

I would further point out that not only does the monitor system as it is presently used constitute a threat to labor unions but it stands also as a threat to all business enterprise and all fraternal activities throughout the land. It is a precedent that could be equally applicable in any such circumstance; therefore, I feel it is of vital importance and most timely that we should limit this activity in its embryonic stage so that it will not grow to be a shadow over the conduct of all human affairs—commercial, economic or otherwise.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield further?

Mr. KASEM. I yield.

Mr. McCORMACK. I might also say there is another gentleman who is one of the top officials in the Teamsters Union, Mr. John English, who my friend, the gentleman from Massachusetts [Mr. O'NEILL] knows. He is one of the finest gentlemen I have ever met, and certainly an outstanding labor leader and a dedicated American. I have never met Mr. Hoffa. I met Mr. Beck once when he came into my office several years ago. He came in to see me then in connection with the proposed increase on gasoline, and he hoped that the increase on diesel oil would not be any greater than the increase on gasoline because of the competitive disadvantage it would give to the truck transportation business as against the railroads. I thought he made out a case. And, as you will remember, the increase on diesel oil was the same as the increase on gasoline when we passed the road bill in connection with the Interstate Highway System. Politically Mr. Beck, they tell me, is a Republican, and I also understand Mr. Hoffa is a Republican.

Mr. KASEM. That is my understanding, that Mr. Beck was the chairman of labor for Eisenhower, and I am told that Mr. Hoffa was a member of that committee of labor for Eisenhower. It seems that they have been badly used, does it not, compared to others who have supported Mr. Eisenhower?

Mr. McCORMACK. I just made that passing observation that my recollection is that Mr. Beck was very prominent in the Republican Party. I kind of thought he should have been grateful the following election for what we Democrats did for him, but in the exercise of his judgment he again supported the Republicans in the fall election. I do not personally know the party politics of Mr. Hoffa, but I have been reliably informed that he has been a very strong Republican all his life.

Mr. KASEM. I do not know about him being a very strong Republican, Mr. Leader.

Mr. McCORMACK. Well, a Republican.

Mr. KASEM. I am informed by the press that he endorses me, which shows that his judgment can be excellent.

Mr. McCORMACK. Well, I would endorse the gentleman, so I will make it on the ground that my judgment is excellent.

Mr. KASEM. In that we all concur, Mr. Leader, that your judgment is excellent.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to the gentleman from Michigan.

Mr. GRIFFIN. It is interesting to note that those on the other side of the aisle do not want to claim Mr. Hoffa or Mr. Beck as members of their party. I want to make it clear that we do not claim them either. I recall an instance, for example, in the 1958 campaign in Michigan, that the Teamsters Union allegedly contributed some \$11,000 to the Democratic candidate for prosecuting attorney in Wayne County, where Detroit is located, and that on many other occasions, as is well known, Mr. Hoffa and his Teamsters Union have contributed to and supported candidates for the Democratic Party as well as the Republican Party on occasion.

Mr. KASEM. When was this that they contributed?

Mr. GRIFFIN. In 1958.

Mr. KASEM. In 1958? I believe that Mr. Rogers was the Attorney General of the United States at that time. I cannot understand why he did not prosecute under the provisions that forbid labor organizations to make campaign contributions.

Mr. GRIFFIN. That is a very interesting question. Will the gentleman allow me to discuss it for a few minutes?

Mr. KASEM. I would like to have the gentleman explain why the Attorney General did not prosecute.

Mr. GRIFFIN. There is a very good reason. The Corrupt Practices Act, which is a Federal statute, prohibits a corporation or a labor union from contributing funds to the campaign of candidates for Federal office, but there is no prohibition in Federal law to prevent contributions by a union to the campaign of candidates for State or local offices.

Mr. KASEM. I suggest the gentleman has supplied a perfect answer why the Attorney General did not prosecute. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield further?

Mr. KASEM. I yield.

Mr. McCORMACK. Just to have the record clear, my remarks were not claiming anybody. I just simply made a passing observation that Mr. Beck was a Republican politically, which he has a right to be. As I understood it, Mr. Hoffa is also a Republican. The gentleman from Michigan [Mr. GRIFFIN], disclaimed wanting to have him in the Republican Party. It would be rather interesting, if Mr. Beck or Mr. Hoffa should read this colloquy, to know the thoughts running through their minds when they go back through the years and search their mind and conscience, as to their loyalty to the Republican Party in the

past. As I say, as I understand, both are Republicans. It is not a question of our claiming anything. My friend, the gentleman from Michigan, has disclaimed them. It puts the Republicans in the position of disclaiming.

May I say this, also? Fortunately, in America, it is not the right of a political party to say to anybody, "You are permitted to be a member of our party." It is the right of the individual American to be Republican or Democratic or independent. No party passes upon the membership of any citizen and no party can oust any citizen, fortunately, under our political setup in the United States.

So far as I am concerned, having made just a passing observation as to the political loyalties of Mr. Beck and Mr. Hoffa, I see nothing from them that they are not still interested in the Republican Party and that they are not still Republicans.

Mr. KASEM. Mr. Speaker, I think if Mr. Hoffa were to read the remarks of our colleague from Michigan [Mr. GRIFFIN] and see that the Republican Party has disclaimed him he would smart, because there is no serpent sting like ingratitude. I am neither denouncing nor defending Mr. Hoffa. I met Mr. Hoffa on one occasion when he was most gracious and cordial to me, and I appreciated it as I do when any person is gracious and cordial to me. Mr. Hoffa said very fine things about my being a courageous person who was willing to lay his political career on the line and I yield to such flattery and I am taken in to some small extent. But I am willing to judge Mr. Hoffa objectively. So far as I know he has prevailed in the only tribunal where he has been brought, where he was permitted to put on a defense. Condemnation of him arises out of the proceedings of the McClellan committee, which hardly seemed impartial and where there were political overtones and implications. My other impressions, of course, come from the press, which I have learned "to take with tons of salt."

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to my colleague from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Speaker, I thank the gentleman for yielding to me. I want to apologize to him for the form of the question I am going to ask. It may be that it was covered in the debate but unfortunately I had to be at another committee hearing.

Mr. KASEM. Repetition is no novelty in this House.

Mr. ROOSEVELT. May I ask the gentleman whether it has been brought out that the so-called Griffin-Landrum bill passed last year in section 401(h) calls for a proceeding which may be started by any rank-and-file member, by request to the Secretary of Labor who, under proceedings then set up by the Secretary of Labor, calls for ouster proceedings, and a vote by the union members; so that if there is any question as to whether or not Mr. Hoffa should or should not be eligible to run again for reelection at a convention which, of course, is called for under section 402 of the act, this proceeding is open to any rank-and-file member; so

that Mr. Hoffa's eligibility for reelection by direct charges calling for an ouster can be had before the convention?

It would therefore seem, under this circumstance, that there is mighty little excuse in this or, for that matter, from here on in, in any other matter, for the courts deliberately to take over and to run a union's affairs, inasmuch as that act last year, much of which I am in very great disagreement with but which in these particular provisions at least, covers this case beyond any question. So that I would ask the gentleman if he would not agree that under these conditions most certainly the court should abandon the present proceedings and allow the law to take its effect and allow the rank-and-file teamsters to make their own decision.

Mr. KASEM. I think the gentleman knows that I do agree. In answer to his first concern, that it might be repetitious, we did touch upon the issue but not with such specificity and clarity as the gentleman from California has put forth.

Mr. ROOSEVELT. It may also have been touched upon in the debate, but I think it is of interest that this afternoon Judge Letts disqualified himself from any further proceedings in this case, and another judge will now take over. In the meantime, over 40 other cases are pending in the Federal courts as the result of this one case, which obviously indicates to me that additional expense and additional litigation are being piled one upon the other. I think the time has come, and I hope the new judge will see it this way and that he will take whatever steps have to be taken to resolve this matter by letting the normal course of the law, as it is now written, take care of the matter.

Mr. KASEM. My colleague from California has brought forth a most cogent point which I have heretofore failed to put forth that is strengthening the argument that the court has no place in operating and managing a union's affairs. That is the argument that by the sheer amount of the detail of the task assigned, the court cannot do it, or the courts could not engage in any other activity whatever. The function of the court is to decide cases and controversies between individuals. This is a usurpation and diversion from that basic fundamental duty of the courts.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. KASEM. I yield to the gentleman from Illinois.

Mr. PUCINSKI. I wanted to direct a question to the gentleman from California [Mr. ROOSEVELT]. In an earlier part of this colloquy the coauthor of part of last year's Labor Management Disclosure Act the gentleman from Michigan [Mr. GRIFFIN], if I understood him correctly, said there was general agreement that there is here now sufficient language and provision in that act to deal with this particular situation as concerns the Teamsters. The question I should like to direct to the gentleman from California [Mr. ROOSEVELT] is whether he or anyone else has any direct knowledge whether or not any locals of



the Teamsters have directed such a request to the Secretary of Labor. The gentleman has pointed out that section 401(a) contains provision that upon request to the Secretary of Labor by any aggrieved party of a labor organization this machinery goes into action. Does the gentleman know whether such a request has been made? I do know that requests have been sent to many Members of Congress, but can the gentleman say whether or not a request was made of the Secretary of Labor under the terms of the act?

Mr. ROOSEVELT. To the best of my knowledge no such request has been made, for two reasons, either of which would probably be effective. First, one would hesitate to do that with the matter directly before the court.

Second, anyone who wanted to ask for ouster proceedings would obviously be an enemy of Mr. Hoffa, someone who would feel that the longer they could keep the thing going in the present condition the more likely they were to have this thing alive and in its presently completely chaotic position.

Those reasons are probably the basic reasons why such a request has not yet been made. However, should the court resolve the matter by dropping its position, then it would force Mr. Hoffa's enemies or anybody who thought Mr. Hoffa was not doing a proper job within the rank and file to leave that as the one way by which to accomplish whatever they wanted to accomplish.

Mr. PUCINSKI. It is my understanding that there does not necessarily have to be an adverse party asking for an election. It is my understanding that any local of the union can ask for this type of election. It does not have to be an adverse party.

Mr. ROOSEVELT. I would say that the position of the gentleman from Illinois is absolutely correct, but, of course, if he does that he will be labeled within the union as an adverse party although it might be arranged that someone else might do it for the simple purpose of clarifying it. So far as I am concerned that would be the statesmanlike thing to do, if Mr. Hoffa wishes in order to prove his innocence, to get a fair trial before this body representing the union. I think that is what would have to be done in order to have the matter settled.

Mr. PUCINSKI. I think the gentleman has now put this thing in the proper perspective, namely, that there is relief and many of the locals have in good faith written to Members of the Congress seeking relief under the 1959 act. Perhaps, they are in the right church, but in the wrong pew. Perhaps, now they ought to direct these requests to the attention of the Secretary of Labor so that he can implement the 1959 law and bring some order out of the chaos that exists in this whole situation.

Mr. ROOSEVELT. But not until the Federal court had dropped the matter. Perhaps, he might be held in contempt if he did that prior thereto. If I were an individual member, I do not think I would run that chance, especially, as long as Judge Letts was there. Now that he is not there, however, still that

is a problem I would rather not have until the Federal court dropped the matter.

Mr. PUCINSKI. I thank the gentleman from California.

Mr. KASEM. Mr. Speaker, I thank the gentleman from Illinois [Mr. PUCINSKI] and the gentleman from California [Mr. ROOSEVELT] and the gentleman from Michigan [Mr. GRIFFIN] for their assistance in this debate and for clarifying to some extent for the American people the issues that are involved in this monitor type situation that we presently find here.

Mr. Speaker, if I have obtained unanimous consent to revise and extend my remarks, I will yield back the balance of my time and I know my colleagues will extend to me an ovation of great gratitude for that.

The SPEAKER pro tempore (Mr. SMITH of Iowa). Without objection, it is so ordered.

There was no objection.

#### THE PRESIDENT'S PRESS CONFERENCE REMARKS ON WILLIAM R. CONNOLLE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. DADDARIO] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DADDARIO. Mr. Speaker, I placed in the RECORD yesterday a statement urging the reappointment of William R. Connole to the Federal Power Commission. This morning, President Eisenhower, apparently indifferent to the wide support for Mr. Connole, said he has no intention of making that reappointment.

This is disturbing to me and, I am sure, to the millions of consumers on the east coast and in the Nation who have come to regard Mr. Connole as a defender of their interests.

The President said at his press conference that he thought he could find a better man. I shall certainly watch with interest to see who he feels meets this definition. I have learned in my lifetime someone who uses the phrase "better man" ought to be asked immediately—better for whom?

Here we have a man who has a proven record in support of the consumer. He is an able lawyer, whose views in more than one critical case have been upheld by the highest court in the land. His training in the field of utilities regulation has been outstanding and he has a dedicated interest in the basic principle underlying our regulatory agencies—the control of economic forces for the good of all the people.

If he is dropped now, and if the administration's new appointments follow the speculation which has been rampant, there is not going to be anyone on the Commission from east of the Mississippi River. That is a gap in representation which ought to be avoided. Just as disturbing will be the loss of a man who

has had the interests of the consumer at heart, one whom I have seen described as the most consumer-minded man ever to serve on this Commission.

I return to the question, then, better for whom? I hope the new man will not be better for those who believe that higher prices are a natural thing to seek and to receive. We are all well aware that the Nation recorded this week, under this same administration, the highest cost of living index in its history.

#### THE ELDER STATESMAN SPEAKS—LISTEN

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MULTER. Mr. Speaker, there is no more inspiring American on the contemporary scene than Elder Statesman Bernard M. Baruch. We could not learn more at the feet of any other man. I would like at this time to share my good fortune with our colleagues.

Mr. Baruch has written me as follows:

MY DEAR MR. MULTER: Because you show such a practical grasp of your subjects I am taking the liberty of sending you a copy of a speech on "Medical Care" made 13 years ago.

With warm regards.

Sincerely,

BERNARD M. BARUCH.

The enclosure reads as follows:

SPEECH BY BERNARD M. BARUCH AT A DINNER SPONSORED BY THE MEDICAL SOCIETY OF THE STATE OF NEW YORK, COORDINATING COUNCIL OF THE FIVE COUNTY MEDICAL SOCIETIES OF GREATER NEW YORK, GREATER NEW YORK HOSPITAL ASSOCIATION, TO REPORT ON PROGRESS OF PREPAID MEDICAL AND HOSPITAL CARE IN NEW YORK CITY, AT THE BILTMORE HOTEL, NEW YORK CITY, NOVEMBER 19, 1947

You do me honor to ask me to talk to you about health. I almost became a doctor myself.

When I was a boy my mother took me to a phrenologist. His office was across the street from where Wanamakers now is. He felt the bumps on my head and asked my mother what she expected to do with me.

She replied, "I am thinking of making him a doctor."

"He will be a good doctor," said this phrenologist, "but my advice to you is to take him where they are doing things in finance and politics—he might even make good there, too."

It has been a long detour for the prodigal. He has returned.

In many ways I am sorry I did not become a member of this noblest of professions. For I believe we approach a great adventure in health. That is our goal. I think it obtainable. It would be gratifying to take a more active part in it.

All my thoughts on medicine are colored by memories of my father, Dr. Simon Baruch. He was the wisest man I ever knew. He pioneered in surgery, physical medicine, and "incurable diseases." Often I heard him tell prospective medical students:

"Do not enter the medical profession to make money. Study medicine only with the

idea that your greatest compensation will be knowing that you help your fellow man. Do not expect gratitude and you will never be disappointed."

As Chairman of the War Industries Board in the First World War, I realized how important to defense was the health of our citizens. That awareness was reinforced manifold during this past war.

In preparing a report for the late President Roosevelt on manpower, I was shocked to learn at least 4 million men had been rejected as 4-F's—unfit to defend their country. Some, not all, of these defects were preventable.

How much more shocking would have been the record if everyone had received the same examination?

Since then I have given the problems of medical care much thought. It deeply concerned me that we not fail the returning veteran, so I studied their medical needs. From that, it was only a step to related problems of general medical care for all.

Soon I was up to my neck in reports, statistics, speeches, congressional hearings. I conferred with many persons, doctors, and nondoctors, experts and amateurs.

May I tell you some of my conclusions. They may not be particularly new to you, pioneering this field. They may be helpful, coming from a nonprofessional mind.

But before I list them, I would like to point out that the medical science and art have conferred a new and great benefit upon society in the last generation. The years of our lives have been heavily increased. This helps not merely the individual, who wants to go on living—and living in dignity and self-respect—but all the people to live more comfortably and freer from fear.

And now to go on with my exposition:

There is no question—the need for more medical care exists.

Also there is no question this need will have to be met.

The problem is, How?

All over the world the masses are stirring for higher living standards. Improved medical care is a foundation of that better standard. Without good health, of what advantage are higher wages or shorter work hours, better education or greater leisure?

The families whose earnings disappear with serious illness—the many who suffer disease which your skillful diagnosis and treatment could have prevented or halted—or whose limited means bar them from the medical attention available to you and me—these people will not remain content.

This striving of the masses for better living is felt everywhere. In health your profession must steer that surging tide into channels of improvement. Then the surge does not overspill into the revolutionary flood, which washes away more than it brings.

One of the last things Woodrow Wilson wrote—called "The Road Away From Revolution"—was this:

"In these doubtful and anxious days when \* \* \* the road ahead seems darkened by shadows which portend dangers of many kinds, it is only common prudence that we should look about us and attempt to assess the causes of distress and the most likely means of removing them."

That was Wilson's method—to assess portending dangers, and anticipate them by timely action. So, he proposed the realistic League of Nations, which men rejected as a dream—and got a nightmare. Wilson knew social change was inevitable. He worked to steer that change into orderly channels.

You should take that as your guiding star. Society usually divides into three broad groups.

At one end—the left end—are those who burn with a passion to change everything as quickly as they can—if not quicker.

At the other—right end—are those who want things just as they are.

In the middle are people, like Woodrow Wilson, to whose school I belong, who believe in intelligent progress and seek to guide it.

What differentiates these three groups is their attitude toward that vital element of life—time.

The left-enders feel time panting hot on their necks.

The right-enders use time to fight rear-guard actions, all the way.

The middleers—sometimes both left and right call us "muddlers"—seek to come to terms with time, preserving the best of the past, discarding the outworn, and moving on to a better future.

In the matter of adequate medical care, too many doctors have been fighting a rear-guard action for too long. I feel I must warn those doctors—time is running against them. The medical profession has justly earned great influence in the community. It can keep that hold only as it moves forward. It will lose that hold if it has nothing but objections to offer, if it has eyes only for what not to do.

We must look for what can be done—and do it.

The great question is, How? I do not want to seem to say I know the answers. We do know the public is demanding better and more medical service through some action—political or otherwise.

What is this adventure in health I see dawning, and toward which you all have been keeping the doctor's vigil through the night? This adventure, which you will have to lead—or it will fail—has many elements:

1. More and better doctors—in more places.
2. An immediate, complete survey to modernize medical education, with greater emphasis on chronic and degenerative diseases, mental hygiene, and preventive medicine.
3. More hospitals more evenly spread through the country.
4. Less specialists, more general practitioners.
5. Reorganize medical practice, stressing group medicine where needed and voluntary health insurance.
6. For those who cannot afford voluntary insurance, some form of insurance, partly financed by the Government, covering people in by law. I would call this "compulsory health insurance," if that term's proper meaning had not been lost.
7. Increased medical research.
8. Greatly expanded physical and mental rehabilitation.
9. Education to make health a national habit.
10. A vigorous, preventive medical program, reaching everyone, children above all.
11. A new Cabinet post for health, education, social security.
12. Creation of a nonpolitical watchdog committee to safeguard progress in medical care for veterans.
13. Increased numbers of well-trained nurses and technicians.
14. Adequate dental care.
15. A stabilizing economy—inflation will make worthless any health program or anything else.

Each of these would take a speech by itself. I can but sketch some of them.

Even the least ambitious schemes for improving the Nation's health require more doctors, all competently trained. Why aren't more doctors being educated? In studying that question, I was struck by how expensive training a doctor has become—in dollars and in time. In its fine report on "Medicine in the Changing Order," the New York Academy of Medicine states:

"There seems no alternative other than Government aid if educational standards are to be raised or even maintained. If

medical schools are to continue as centers of research, here also Government aid may be necessary."

If science and medicine ask the Government for aid—which even the conservative deems necessary—they must expect he who pays the fiddler will call the tune. This means the Government will rightly insist upon no discrimination in medical care because of race, color, or creed. It will rightly insist upon opportunity for all to enter the profession and advance on the sole basis of ability and character—without restrictions of race, color, creed, or sex. And, I hope, without fear of, or favor from, the State.

Minimum standards should be set for institutions getting financial aid.

How much more the Government is likely to insist upon will depend upon the more progressive leaders in your profession.

According to the academy's report—I quote—"there has been no fundamental reorganization of American medical education since about 1910." That finding certainly calls for your profession undertaking—now—a most thorough, down-to-earth survey to modernize medical education, making recommendations so boldly inspiring the people will gratefully back them. No one can draw up a better program than doctors.

Chronic illness and preventive medicine deserve greater attention. In all fields—I hope in war as well—there is a new accent on prevention. From answering fire alarms, our thinking is progressing to fireproofing.

Preventive medical care should commence as close to the beginning as society can reach. I favor a major, sickness-prevention drive at the public school level. This should include compulsory examination of all children at regular intervals. Means should be made available for correcting defects disclosed.

How wonderful, if children were taught how to properly eat, sleep, sit, stand, play, and take care of themselves, developing both the knack for getting along together, and self-discipline—physical and mental.

Even when medical care is available, many adults neglect or refuse to use it—often because of social taboos, as in venereal diseases, or psychological dreads, as in cancer and tuberculosis. These attitudes reflect our not having outgrown the awkward age in thinking about disease and health. We do not really have a grownup, national health habit—although we are getting there.

People need to be educated on the virtue of medical care; how to use it; how to prevent disease. The greatest asset of any nation is a healthy, educated citizenry.

And now to what is perhaps the toughest problem—how can better medical care be extended to those who cannot afford it?

Your organizations have been particularly active in pressing voluntary health insurance. You and others have proven group insurance to be a sound, practical way. That is a great achievement. You can be mighty proud of it.

But I would not be frank—nor friendly—if I did not add what you know. It is not good enough.

Rome was not doctored in 1 day. It may be, as some have told me, that the needs of the bulk of our people can be met, given time, through voluntary insurance. What troubles me most are the needs of that sizable segment of society, which does not earn enough to pay for voluntary insurance.

The American Medical Society—its bureau of medical economics—estimated in 1939 that families earning \$3,000 or less—two-thirds the population—cannot afford the cost of serious illness. Some of these can afford voluntary insurance, although inflation has reduced their number. But what of the little fellows who cannot?

I have asked that of nearly everyone with whom I have discussed medical care. Nothing has been suggested so far which promises



success, other than some form of insurance covering these people in by law and financed by the Government, at least in part—what some would call compulsory health insurance.

Since doctors, nurses, technicians, and hospitals already are strained, such insurance probably would have to move in stages. That requires careful study. Any program should utilize existing medical facilities to the maximum—it must get started—and be organized to the local level.

Nationally, the program might well be administered by a body of doctors and non-doctors to keep medical care as free from politics as possible.

As to financing, my own preference runs toward the Government meeting only part of the cost, with part coming from payroll deductions from employers and workers. In time, these deductions will become absorbed in general costs of production. I have the utmost confidence in the efficiency of American industry—both labor and management—and which good health will stimulate. We can absorb these medical costs better than other countries which must also meet these needs.

The detailed problems raised by so-called compulsory health insurance are too numerous to be discussed tonight. I have weighed them most carefully. Many doctors and many lay people have sought to paint this issue as a choice—all black or all white. I have found every aspect of medical care to be gray—the happy color sensible compromise wears. All law imposes compulsion. A form of compulsory health insurance for those who cannot pay for voluntary insurance can be devised, adequately safeguarded, without involving what has been termed “socialized medicine.” The needs can be met—as in other fields—without the Government taking over medicine, or socializing it, something I would fiercely oppose.

Law protects society. It is the absence of law which destroys it.

I do not fear Government taking its legitimate part in medicine, any more than I fear it in education or housing. I do oppose socialization here. It leads ultimately to the police state, degradation of the individual, and lessened well-being. There should be just one Federal agency, with Cabinet rank, for all health and human welfare problems. I do not like Government agencies to be like Mahomet's coffin, suspended between heaven and earth.

Some say many people do not know how to pick their doctors. So, with any human activity. The best insurance against poor choice is improving the general quality of all doctors. But good or poor, it must be the patient's choice. No one else's.

May I interject this about inflation? Should health schemes fail, be sure to ask—were they killed by the plan itself—by incompetent administration—or by an inflation which ruined the plan's financing?

In connection with this doctor-Government relationship, it is a pleasure to point to the excellent medical progress in the Veterans' Administration—thanks primarily to Gen. Omar Bradley and Gen. Paul Hawley. They would never have accomplished their good work, had they not refused to allow the politicians to move in on them.

I would like to see the President name a small committee of top-grade citizens—some doctors, some lay people—to act as a vigilant watchdog over the veterans' medical program, so the ground so arduously gained may not be lost when someone replaces General Bradley. He should be supported by the entire Nation—particularly by doctors. His is the kind of courage and vigilance which will assure good administration of any health program.

More doctors must be distributed to more places in the country, which requires,

among other things, less stress on training specialists, more on general practitioners. A number of counties do not even have a doctor. This reflects, in part, a lack of facilities in which doctors can work. Happily, some of this will be corrected under the Hill-Burton Act for hospital construction, with Federal and State governments cooperating.

Orderly change is the American way of life. Remember the spirit of your oath of Hippocrates. Use your own good judgment to move along with humanity's legitimate aspirations in its trek toward better living.

I would hate to see any medical care program under guidance of others than those who have the know-how. So would the American people. That is why I urge the doctors to get in and pitch—not stand by on the side lines. You need fear politicians or bureaucrats only to the degree you fail yourselves. You must take the leadership—no—yours is now the leadership. Keep it.

This meeting is an outstanding example of your deep concern to meet the need for action.

I have met people in all fields of human endeavor. I respect no group more—for your unselfish zeal and devotion to the sick, for the jealousy with which you guard your professional virtue—placing beyond the pale the rare violator of your oath.

I envy you the thrill which comes from relieving a patient from pain, and, often, snatching one from death.

I still am sorry that phrenologist didn't let me become a doctor.

Your situation reminds me of something my father said back in 1873, while president of the South Carolina Medical Society:

“Let us not be silent, but offer our facts, and defend them while we may.

“As an Arabian sage has said:

“What good comes from Ali's sword, if it be sheathed?

“What good from Sadi's tongue, if it be silent?”

What Mr. Baruch said so succinctly, yet so eloquently, 13 years ago could not be better said today, nor could it be more apropos.

It is indeed most unfortunate that his words have gone unheeded so long by those to whom his remarks were addressed.

I am certain that much of the mail I am receiving from doctors opposing the Forand bill, to provide medical care for the aged who cannot afford it, comes from those sought to be reached by that important message I have just read.

Some of them rest their argument on the fear of socialization of the medical profession. Like Mr. Baruch, I, too, would resist to the end socialization of any of the professions, or, for that matter, any of our private enterprise.

Others argue that Congress should not act hastily but should study the problem some more. Have we not studied the problem long enough? I think we have.

Maybe the Forand bill is not the complete answer. Maybe it does not go far enough by covering everybody. Maybe it does cover some who can afford to buy insurance. Maybe—maybe—maybe.

The first child labor law was not perfect.

The first minimum wage law was not perfect.

The first workmen's compensation law was not perfect.

The first unemployment insurance law was not perfect.

The first social security law was not perfect.

The first aid to education law was not perfect.

In fact, no manmade law is perfect.

But we do start and as experience teaches us we improve our laws and their implementation.

Government makes the most progress and serves its purpose best when it does for the governed that which they cannot do for themselves.

Let us move forward again in the field of humanities. One way is to enact our first law to give medical aid to the aged who cannot otherwise afford it.

I have signed the Forand discharge petition at the desk to bring that bill before the House. I did that not because I believe the Forand bill is the ultimate. I did so because I want the House to debate it, to amend it and to work its will with reference thereto so that we can move forward in this important field for the good and welfare of our country.

#### A BILL TO PROHIBIT CERTAIN JUDICIAL ACTS AFFECTING INTERNAL AFFAIRS OF LABOR ORGANIZATIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the RECORD and include telegrams.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I am today introducing, by request of the National Maritime Union and the Flight Engineers International Association, both AFL-CIO affiliates, a bill to prohibit certain judicial acts affecting the internal affairs of labor organizations. Following receipt of these requests, I carefully looked into the matter and reached the conclusion that such legislation reflects the very sound principle that the operation of labor unions should remain in the hands of the membership, by prohibiting Federal courts from appointing receivers, trustees, masters, monitors, or administrators, except to preserve the funds, property, or assets of a labor organization pending the conduct of election of officers or the vote upon the removal of officers.

I was also pleased to note that a measure had already been introduced, also by request, by my distinguished colleague and a ranking member of the House Judiciary Committee, the Honorable THOMAS J. LANE, of Massachusetts. My colleague's bill meets the objective on which I was planning to prepare legislation and therefore I am joining him in his efforts by introducing an identical bill to his measure, H.R. 11845.

Mr. Speaker, if the bill of rights set forth in the Landrum-Griffin Act means what it says then there is no justification for courts to be empowered to supervise or administer, in any form, the rights of the members of any labor association. From that standpoint it is incumbent on

this Congress to act favorably upon this legislation. Therefore, I hope and urge that hearings be held as soon as possible so that the will of this House may be expressed prior to adjournment.

At this point I insert the telegrams received from the presidents of the unions which I have mentioned, setting forth their request for legislation in the area I have just discussed:

NEW YORK, N.Y., April 22, 1960.

HON. JAMES ROOSEVELT,  
Member of Congress, House of Representatives,  
Washington, D.C.:

On behalf of the National Maritime Union, AFL-CIO, urge you sponsor legislation to prevent encroachment by courts upon right of union members to determine democratically internal government of their labor organization. It is a travesty of justice for rank and file self-government to be frustrated by imposition of judicial restraint upon exercise of free expression by union members. Union members are not second-class citizens and should not be treated as such.

JOSEPH CURRAN,  
President, National Maritime Union,  
AFL-CIO.

WASHINGTON, D.C., April 22, 1960.

HON. JAMES ROOSEVELT,  
Congressman, 26th District, State of California, House Office Building, Washington, D.C.:

This association representing flight engineers of the Nation's airlines urges you to introduce legislation which will prohibit certain judicial acts affecting the internal affairs of labor organizations. Principally it should amend the Norris-La Guardia Act by prohibiting Federal courts from appointing receivers or other officers to administer or govern the internal affairs of a labor organization, except to preserve assets pursuant to the union-election provisions of the Landrum-Griffin Act. Such legislation then would prevent the Federal courts from assuming the function of running labor unions.

Sincerely,

RONALD A. BROWN,  
President, Flight Engineers International Association.

#### NATIONAL MILK SANITATION BILL

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. JOHNSON] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, the Health and Safety Subcommittee of the House Interstate and Foreign Commerce Committee is now holding hearings on my national milk sanitation bill, which 19 of my colleagues have joined me in introducing in the House. Four Senators are cosponsoring the measure in the Senate. This proposed legislation has bipartisan support, with 10 Democrats and 10 Republicans introducing the measure in the House, and 3 Democrats and 1 Republican sponsoring the bill in the Senate.

Under the provisions of the legislation, a Federal milk sanitation code which would be at least the equivalent of the U.S. Public Health Service's

proven milk ordinance and code would become the quality yardstick for milk shipped from State to State. Fluid milk and fluid milk products meeting the standards of this Federal milk code could not be kept out of interstate trade because of varying local health rules.

Over the years the various States and municipalities have set up and added to their milk sanitation regulations until we now have a regular crazy quilt of rules that hamper the free flow of high-quality milk from State to State. Unfortunately, human nature being what it is, some milksheds are using their health standards as an excuse to maintain a neat little milk monopoly for themselves.

Mr. Speaker, sanitary regulations should be used only to protect the public health, not for the protection of local monopolies. The use of arbitrary and outdated milk rules as trade barriers is obviously a perversion of the intent of the regulations.

This Balkanization of milk markets works to the disadvantage of both consumers and the bulk of milk producers. In some places, such as our Nation's Capital, the health regulations prevent the entry of milk from other areas, giving an absolute monopoly to local producers. Other cities permit milk to be shipped in only after it has been checked by their own inspectors at its point of origin to see that it meets the standards of the receiving area. Since the milk must also conform to the sanitary rules of the shipping area, the resulting duplicate inspections add to the cost of milk.

In the fall of 1958 I was studying the poultry situation in Alabama. The manager of a poultry processing plant had high praise for the Federal poultry inspection law passed during the 1st session of the 85th Congress. He commented that with modern transportation and refrigeration methods, he was now shipping federally inspected poultry from Alabama to California and the Midwest, including Wisconsin and Minnesota. I told him that all the dairy farmers want is the same chance for interstate sale of their milk that the poultry farmer gets.

Mr. Speaker, at this point I would like to include in the Record an editorial from the St. Paul (Minn.) Pioneer Press, which raises the question, "If the principle of freedom of commerce in wholesome food applies to meat and poultry, why shouldn't it apply to milk?"

#### GEORGIA FRYERS

Remember when fried chicken was a luxury? When its fragrant brown succulence was for holiday dinners only? Well, flavor and the aromas linger, but gone forever are the luxury days.

Now the housewife can rub her eyes at the great buys being offered by the food ads in frying chickens.

Loss leader selling? Could be. For bargains in chickens or fresh milk are fine bait for attracting shoppers into a store. But also behind these prices is a mighty drama of the effects of a Federal guaranty of freedom of interstate commerce in wholesome food.

Though the trade calls them Georgia fryers, they come in fact from several Southern States. As with meat and milk, perishability was once thought to bar them from

nationwide markets. But, also as with meat and milk, that problem is solved by modern, sanitary, refrigerated transportation.

Eighteen to twenty semitrailer loads of these Georgia fryers roll into the Twin Cities each week from afar. By summertime, the arrivals will be up to about 30 refrigerated vans a week, each loaded with 7,500 or so 2- to 3-pound dressed chickens, all iced.

These birds are products of one of agriculture's great revolutions known as integrated farming. Production, processing, and selling are integrated under one management. One man may feed 5 batches totaling 60,000 a year of these broiler or fryer chickens.

A uniform Federal inspection system guarantees freedom of wholesome dressed poultry to cross State lines into the Nation's markets. It is mighty tough competition for our Midwest chicken raisers.

That's one story back of our housewives' bargains in fryer chickens. Another story is that this same Federal poultry inspection system is putting the foundation of free markets under our Midwest turkey industry. A third story is that our Midwest fryer industry, with advantages of a short haul and economical feed, is competing more and more strongly in our markets. Our housewives are getting good buys and more of our own homegrown chickens, too.

But the traffic of southern fryers into Milwaukee, Chicago, Des Moines, and other Midwest Dairy Belt cities is still immense. And when we try to ship our wholesome milk in refrigerated tank trucks into those markets that so freely send us chickens, we are stopped by Federal, State, or local bans in the name of sanitation. Even Washington is barring our milk, regardless of proved wholesomeness, on those ostensible grounds so as to serve local monopoly.

No industry or region can do well under such discrimination and the Lester Johnson bill in Congress would abolish it. The bill would apply to milk, the same principle of freedom of commerce in wholesome food the United States already applies to dressed meat and poultry.

For more than 50 years the Federal meat inspection system has been providing the equivalent of the Johnson bill for meat. A foundation of access to markets everywhere sustains the meat industry. We are a Nation of meat eaters.

For dressed poultry, the equivalent of the Johnson bill went into effect on a voluntary basis last year and became compulsory for interstate commerce this year. At competitive prices, consumption of fryers and other dressed poultry has risen to break all records.

For many years the branch of Government most concerned with sanitation, the U.S. Public Health Service, has had a uniform sanitary code for milk. But the U.S. Department of Agriculture and Eastern and Southern States and cities won't accept this code. Behind their monopoly walls, high milk prices are enforced. U.S. consumption per person of milk since World War II has slumped.

The Johnson bill would let American consumers drink more milk at competitive prices. It would let the Nation's dairy industry share with meat and poultry the blessings of American freedom of commerce in wholesome food.

Mr. Speaker, during April of 1958 hearings were held on another milk sanitation bill—H.R. 7794—which I had introduced and which had the same basic objectives of my present bill. The 1958 hearings revealed a number of deficiencies in H.R. 7794 and pointed the way for the development of an entirely different approach. I believe this new



approach satisfies the major objections which were raised 2 years ago.

Those objections were, first, that direct Federal inspection would unnecessarily superimpose another layer of control on existing State and local inspection systems; second, that direct Federal inspection would be costly to administer; third, that the "affects interstate commerce" clauses would preempt the rights of States and municipalities to exercise sanitary control over their intrastate milk supplies; and fourth, that Federal control might result in a lowering of the quality of milk sold in those municipalities having high sanitary standards.

My present bill, H.R. 3840, does not propose the establishment of a far-reaching Federal inspection system of all milk sold in the United States. Rather, it seeks to apply the force of Federal law only in those instances where health regulations are deliberately misused to obstruct the interstate marketing of wholesome milk of the highest sanitary quality.

The bill would place in the Surgeon General of the U.S. Public Health Service the responsibility for the establishment of a Federal milk sanitation code setting forth sanitation practices and sanitary standards for milk shipped in interstate commerce. He would cooperate with the States in conducting a system of certification of milk which complies with the standards. Milk certified under this system would then be permitted to move freely in interstate commerce, subject only to laboratory tests upon arrival to assure that the milk still complied with Federal standards.

Mr. Speaker, this measure is designed to avoid the addition of another layer of expensive inspections to the existing system. State and local inspection services would be utilized, and no direct system of Federal inspections is provided for or contemplated. A minimum of Federal expenditure would be required to monitor certifications made by the States and to support certain other services such as training, research, and development of standards.

There are no "affects interstate commerce" clauses in this legislation, and it would not interfere with the normal inspection activities by State and local governments of their own milksheds. In addition, it permits States and municipalities receiving interstate milk shipments to check such milk upon arrival for compliance with bacterial counts, temperature standards and composition standards prescribed in the Federal Milk Sanitation Code.

This concept of Federal legislation to eliminate the misuse of milk sanitation regulations was proposed and developed by a committee of the Association of State and Territorial Health Officers. As the name implies, this association is composed of the chief health officials in each State and territory. In 1957, the association set up a committee to study the matter of Federal milk sanitation legislation and, a year later, issued an official report titled "Need and Recommended Principles for Federal Milk Sanitation Legislation."

This report states:

The association believes that there is need to strongly reaffirm that the sanitary control of fluid milk and fluid milk products is a public health matter which is primarily the responsibility of State and local governments, except where interstate commerce is involved.

Mr. Speaker, my bill is in full agreement with the principle set forth by the Association of State and Territorial Health Officers. This legislation seeks only to provide unrestricted interstate markets for milk of the highest sanitary quality by eliminating the use of capricious and arbitrary pseudo-health regulations to keep high quality milk out of monopolized local markets.

Some critics of my bill have advanced the theory that it would be detrimental to the quality of milk sold in their markets. These critics reason that the Federal standards to be established under the bill might not be adequate to protect the health of their citizens, and that distant and anonymous agencies would not have the same degree of interest in the welfare of local consumers as would local agencies.

Concerning the first point, the bill provides that the Federal standards shall be at least the equivalent of the high health standards now contained in the milk ordinance and code recommended by the U.S. Public Health Service—which is the watchdog of our public health. At the present time, 36 States and some 1,900 local jurisdictions have voluntarily adopted this model milk code or one based on its provisions. Surely a body of health regulations in such general use cannot be notably deficient in providing for adequate health protection of our citizens.

As to the second point, it is difficult for me to believe that in this day of scientific advancement and free interchange of technical information among professional people that there can be any one area where there are milk sanitation people who possess knowledge not available to health authorities in all parts of the United States. Nor can I believe that health authorities and milk producers in one area of the country are any less interested in providing consumers with a pure and wholesome product than are those in another.

Mr. Speaker, the bill provides authority for the Surgeon General to make such spot checks as he deems necessary to validate State certifications that interstate milk supplies have achieved a minimum compliance of at least 90 percent with the national standard. This provision, together with the requirement that milk and milk products upon receipt in a jurisdiction meet bacteriological, temperature and composition standards, certainly provides adequate guarantees that the welfare of the consumer will be safeguarded, no matter where that consumer is located.

Further evidence of the absurdity of a claim that certain cities enjoy a vastly superior supply of milk than would result from compliance with the Federal Code can be found in the list of interstate milk shippers and their ratings,

which is published by the Public Health Service. Take, for example, the local Washington, D.C., milk supply, which we were told repeatedly and emphatically last year was "the best milk supply in the world." It has a U.S. Public Health Service rating of 91.2 percent. This is a good rating and would comply with the requirements of my bill. However, the District of Columbia rating is still slightly below the overall average rating of 92.66 percent for the 691 shippers from 35 States which the April 1, 1960, USPHS list contains.

Many States and municipalities have adopted the position that they will not permit milk to be brought into their jurisdictions unless it has been checked by their own inspectors. In many cases, this position constitutes a serious trade barrier because some of these jurisdictions cannot, or will not, inspect sources in other States.

In other instances, exorbitant fees are charged for such inspections, and these fees add to the cost of milk. When such inspections are made, they constitute an unnecessary and expensive duplication of the inspection services already being provided by agencies of the State in which the milk is produced.

Mr. Speaker, I would like to point out that this insistence on the part of some States and municipalities on having their own personnel duplicate the inspection services of other health agencies is one of the present evils toward which this bill is specifically directed. Such a requirement may have been necessary and practical 25 or more years ago, when milk was produced, processed, and sold almost exclusively on an intrastate basis, and sanitary control of fluid milk was not in effect in all areas of the United States. However, it is a serious deterrent to the dairy industry as it exists today and ignores the changes in technology which permit milk to be shipped long distances without loss of wholesomeness or quality.

As our population has grown, we have seen a complete overlapping and interlocking of milksheds. In many cases, an individual producer's milk may be shipped to different municipalities and even several different States in the course of a year, depending entirely on the marketing practices of the plant or receiving station to which he delivers his milk.

In such cases, the insistence of State or local jurisdictions on inspection at the source by their own inspectors can only result in unnecessary and confusing duplication of inspection services. One of the dairies in my home district sends milk to 10 different markets—and has 10 different inspectors trooping through the place every year. Such multiple inspections cannot provide any more public health protection than would result from inspection by one well-trained individual. Duplicate inspections are costly to the dairy farmer, to the health agencies which engage in such practices, and, inevitably, to the consumer.

Mr. Speaker, H.R. 3840 would provide for a system of administration which is in close accord with two highly effective

and highly respected programs of the U.S. Public Health Service that are now being carried out on a voluntary basis. Since 1923, this agency has provided States with milk sanitation standards for voluntary adoption in the form of the model milk ordinance and code. As I stated previously, this milk ordinance and code is now in effect in some 36 States and 1,900 local jurisdictions. Its sanitary regulations would be the basis for the development of the Federal code for interstate milk under the provisions of my bill.

Section II of the Public Health Service's milk ordinance and code is very significant in that it authorizes receipt of milk into a jurisdiction without local inspection if the supply has been awarded a rating of 90 percent or more by the milk sanitation authority of the State of origin. This provision has been implemented by the conduct of a voluntary cooperative program whereby supplies meeting this criteria are certified by the States and the information is transmitted to the receiving jurisdictions by the Public Health Service.

This voluntary program has no doubt facilitated the movement of high-quality milk in interstate commerce and has eliminated some trade barriers. However, the program, being voluntary, has had no effect on the deliberate use of health and sanitation regulations as trade barriers.

Mr. Speaker, I would like to reemphasize that H.R. 3840 would apply the force of Federal law only in those instances where health regulations are deliberately misused so as to obstruct the interstate marketing of wholesome milk of the highest sanitary quality. It would not affect in any way those jurisdictions which are already accepting milk from other States on the basis of their compliance with adequate sanitary regulations. Therefore, the bill would alter the policies of only those States and municipalities which seek to foster local monopolies at the expense of their consumers by improper exercise of the public health function.

In conclusion, I would like to recommend two minor amendments to H.R. 3840. The first has been recommended by the commissioner of the Department of Public Health of Tennessee. He pointed out that the definition of "State milk sanitation agency" in section 802(5) is likely to be difficult to interpret in Tennessee unless further clarified.

There are at least 12 States in which the division of responsibility between health and agriculture is so complex that an administrative decision would be required to designate the milk sanitation agency should any controversy between the affected agencies arise. For this reason, I believe that section 802(5) should be amended by including at the end of this definition the words "or shall mean such agency as may be designated by the Governor of the State."

The second amendment has been recommended by the International Association of Ice Cream Manufacturers and would specifically exclude ice cream mix, ice cream, and related products from the provisions of this bill. Section 802 in

H.R. 3840 does not specifically include these products, and it was not my intention to include them in the proposed act. However, section 813, which excludes most of the other manufactured dairy products, does not specifically mention ice cream mix, ice cream, sherbets, ices, and so forth.

Therefore, I recommend the amendment of section 813(a) by the insertion after the words "evaporated milk" the following words, "frozen desserts or frozen dessert mixes as those products are defined in the edition of the USPHS Frozen Desserts Code which is current on the date of the enactment of this title."

Mr. Speaker, two of the witnesses who testified at the milk sanitation hearings yesterday were Dr. David E. Price, Assistant Surgeon General, Chief of the Bureau of State Services, Public Health Service, U.S. Department of Health, Education, and Welfare; and Dr. Russell E. Teague, Commissioner of Health of Kentucky, who represented the Association of State and Territorial Health Officers. I include their testimony at this point in the RECORD:

STATEMENT OF DR. RUSSELL E. TEAGUE, COMMISSIONER OF HEALTH OF KENTUCKY AND REPRESENTATIVE OF THE ASSOCIATION OF STATE AND TERRITORIAL HEALTH OFFICERS

Mr. Chairman and members of the committee, I am Dr. Russell E. Teague, commissioner of health of Kentucky, and I am appearing before you as the representative of the Association of State and Territorial Health Officers whose membership includes the commissioners of health of the 50 States, and in my capacity as chairman of the environmental sanitation committee of that association, concerning support of the Federal milk legislation incorporated in H.R. 3840—National Milk Sanitation Act sponsored by the Honorable LESTER R. JOHNSON, of Wisconsin.

It is significant to note that the State and territorial health officers, in full awareness of their responsibilities and in the interest of facilitating the flow of high quality milk in interstate commerce and of preventing the use of milk sanitation requirements as trade barriers, appointed a subcommittee to make a thorough study of the need for Federal legislation regarding interstate milk shipments, and of the provisions of several bills which had been introduced in the Congress pertaining to this matter.

In this study, the association gave consideration to the practice of some States and municipalities to use health regulations as economic barriers to the free movement of fluid milk both in intrastate and interstate commerce. The association recognized that States and their political subdivisions have the right to exclude milk of questionable quality, but unanimously agreed that health regulations should not be used to restrict either the intrastate or interstate movement of milk of high sanitary quality. In this connection it was felt that the sanitary control of market milk and milk products cannot be divorced entirely from the economics of milk production, processing, and marketing, and that health agencies at all levels of government have a responsibility to avoid taking actions which cannot be sustained on public health grounds, and which have an adverse economic effect on the dairy industry.

The changes which have taken place in the dairy industry in the past 25 years, and which have resulted in greatly increased volumes of milk being offered for sale in interstate commerce, were reviewed in order to determine whether or not the present

system of State and local supervision could be utilized for the control of interstate milk shipments without creating an undue burden on interstate commerce. It was the consensus of opinion that the problems of the industry can no longer be considered solely on a local milkshed basis, that the increased interstate movement of milk has complicated its control by State and local agencies, and that uniform sanitary standards and practices are necessary to insure the quality of milk shipped interstate and to eliminate the unjustified use of health regulations as trade barriers. While the voluntary cooperative State-PHS program for the certification of interstate milk shippers, which was actually established at the request of our association, has greatly facilitated interstate milk shipments, it has not been able to break down deliberate barriers toward which most of the past Federal legislative proposals have been directed. For these reasons, it was agreed by the Association of State and Territorial Health Officers that some form of Federal legislation was needed.

The association considered specific forms of Federal legislation that might be appropriate. While it favored the objectives of H.R. 7794, and certain aspects of that bill and similar bills, it was opposed to those sections of the previous bills which would provide for centralized Federal control, supervision, and the extension of such control to all milk supplies "affecting interstate commerce." It was felt that direct Federal supervision would unnecessarily superimpose another layer of control on existing State and local systems that might be utilized, and that the "affects interstate commerce" provisions would result in the Federal Government preempting the right of State and local governments to control their intrastate supplies.

Consideration was also given to a Federal legislative approach which would simply place a legislative base under the present voluntary State-PHS milk certification program. It was recognized, however, that such an approach would not solve in its entirety the trade barrier problem, and thus would not be acceptable to the proponents of the proposed Federal legislation. However, in view of the fact that the voluntary certification program, which utilizes State and local inspection services, has proven effective and practical in operation, the association believed that the essential elements of this program should be incorporated into any Federal milk sanitation legislation enacted by the Congress to control interstate milk supplies. It was the consensus that if these elements were coupled with a provision prohibiting a State or municipality from excluding milk from out of State sources which complied with basic public health criteria for certification, that such an approach would provide an effective and practical means of assuring high quality products for consumers in milk-importing areas and for eliminating the use of health regulations as trade barriers without abridging the rights of State and local agencies to control the sanitary quality of their intrastate supplies. In fact, the association believes that this approach would strengthen the programs of State milk sanitation agencies. Therefore, the following recommendation was passed on October 24, 1958, at the annual association meeting in Washington, D.C.:

#### "RECOMMENDATION"

"That the Association of State and Territorial Health Officers recommend to the Congress the adoption of Federal legislation pertaining to interstate milk shipments, incorporating the following principles:

"A. Declare as public policy that the sanitary control of fluid milk and fluid milk products is necessary to protect the public health, and that the exercise of such sanitary control is primarily the responsibility



of State and local health departments, except that no State or local government has the right to obstruct the free movement in interstate commerce of fluid milk products of high sanitary quality by the use of unnecessary sanitary requirements or other health regulations.

"B. Establish uniform sanitation standards and practices consistent with those contained in the unabridged form (pts. III and IV) of the milk ordinance and code 1953 recommendations of the Public Health Service, for fluid milk and fluid milk products shipped in interstate commerce.

"C. Authorize the Surgeon General of the Public Health Service to conduct, in cooperation with State milk sanitation authorities, a program for certification of interstate milk shippers, in which certification would be based on compliance ratings made by State milk sanitation rating officials in accordance with a rating method, criteria, and procedures to be promulgated by the Surgeon General of the Public Health Service.

"D. Authorize the Surgeon General to certify only those interstate sources of fluid milk and fluid milk products which are awarded a compliance rating of 90 percent or more by the State milk sanitation authority.

"E. Authorize the Surgeon General (1) to make ratings, inspections, laboratory examinations, studies, and investigations as he may deem necessary to satisfy himself as to the validity of the sanitation compliance ratings submitted by the State milk sanitation authorities for certification; (2) to provide for revocation or suspension of certifications for cause; and (3) to disseminate information on certified sources.

"F. Prohibit the use of State and local milk regulations as trade barriers to the interstate shipment of fluid milk and fluid milk products of high sanitary quality by providing that no State, municipal, or county authority or official may exclude, on public health grounds, or because of varying sanitation requirements, any fluid milk and fluid milk products shipped in interstate commerce from sources certified by the Surgeon General as having a sanitation compliance rating of 90 percent or more, if, upon receipt, such fluid milk and fluid milk products comply with the bacterial standards, temperature requirements, composition standards, and other criteria specified in the prescribed sanitation standards and practices.

"G. Authorize the Surgeon General to amend the prescribed sanitation standards and practices if, after consultation with State and territorial health authorities, other State milk control agencies and the dairy industry, he finds amendments are necessary to either protect the public health or to eliminate obsolescent sanitation standards and practices.

"H. Authorize the Surgeon General (1) to conduct research and investigations, and to support and aid in the conduct by State agencies, other public or private organizations and institutions of research and investigations, concerned with the sanitary quality of fluid milk and fluid milk products; and (2) to make the results of such research studies and investigations available to State and local agencies, public or private organizations and institutions, and the milk industry.

"I. Authorize the Surgeon General to (1) train State and local personnel in milk sanitation methods and procedures; (2) provide technical assistance to State and local milk sanitation authorities on specific problems; (3) conduct field studies and demonstrations; and (4) cooperate with State and local authorities, public and private institutions, and industry in the development of improved programs for control of the sanitary quality of milk.

"J. Exclude from provisions of the legislation, manufactured dairy products such as butter, condensed milk and evaporated milk unless used in the preparation of fluid

milk or fluid milk products, sterilized milk or milk products not requiring refrigeration, all types of cheese other than cottage cheese, and nonfat dry milk, dry whole milk and part fat dry milk unless used in the preparation of fluid milk or fluid milk products.

"K. Authorize necessary appropriations for the Surgeon General to carry out his responsibilities under the legislation."

Since this association believes that the protection of the public health through the regulation of the sanitary quality of fluid milk is the prerogative of public health agencies and in further support of this bill, I should like to submit a resolution adopted at their 1959 annual meeting by the Association of State and Territorial Health Officers entitled "Statutory Responsibility for the Sanitary Control of Market Milk" which reads as follows:

"Whereas public health agencies, through their unremitting efforts over a period of 75 years, have been responsible for the control of milk borne disease and for the great improvement in the sanitary quality of market milk served the American people; and

"Whereas certain agencies and persons whose primary responsibility is to foster agricultural interests are waging a continuing campaign, in some cases successfully, to remove the sanitary control of milk from public health agencies, both State and local; and

"Whereas the end result of such action would be to place an important public health responsibility in the hands of agencies not fitted by interests or philosophy to protect the consumer of milk, while at the same time depriving public health authorities of one of their most important means of preventing transmission of disease; and

"Whereas as pointed out in Resolution No. 10, adopted by this association on November 8, 1957, the transfer of responsibility for sanitary control of milk from health to agricultural agencies would be inimical to the public interest: Therefore be it

*"Resolved, by the Association of State and Territorial Health Officers, in conference assembled at Washington, D.C., on October 14, 1959, That the association reaffirm its position that statutory provisions for the fundamental State authority for the sanitary control of milk production, processing, and distribution should be vested in the State health agencies; and that the necessary delegations of duties for implementing inspections and other control measures should be made to local health departments in manners best suited to obtain uniformity, efficiency, and protection in the interests of the whole community of our Nation; and be it further*

*"Resolved, That action be taken by the members of the Association of State and Territorial Health Officers to forcefully oppose the transfer of the sanitary control of milk from public health to agricultural agencies by presenting the facts outlined herein, and in Resolution No. 10 adopted in 1957, to the public, the Governors and legislative bodies of their respective States; and be it further*

*"Resolved, That in those States where responsibility for the sanitary control of milk now reposes in agencies other than health, that positive action be taken to initiate legislation which would give the State health agencies statutory responsibility for the sanitary control of milk production, processing and distribution."*

It is the feeling of our association that H.R. 3840 will go far toward the elimination of sanitary regulations as economical trade barriers and will, at the same time, protect and maintain the rights and prerogatives of State and local health authorities in respect to milk originating within their respective jurisdictions.

Inasmuch as H.R. 3840 embodies and conforms to the recommended principles adopted by the Association of State and

Territorial Health Officers, this association wishes to fully support and endorse H.R. 3840 as introduced by the Honorable LESTER R. JOHNSON of Wisconsin and urges the favorable endorsement of your committee on this bill.

As a representative of the Association of State and Territorial Health Officers, I wish to express to you, the Committee on Interstate and Foreign Commerce, Subcommittee on Health and Safety, the thanks of the entire membership of the association for the time you have allotted to our organization to be heard on this very vital matter concerning the health and welfare of the people of our Nation.

Thank you very much, Mr. Chairman.

STATEMENT OF DR. DAVID E. PRICE, ASSISTANT SURGEON GENERAL, CHIEF, BUREAU OF STATE SERVICES, PUBLIC HEALTH SERVICE, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, ON H.R. 3840, NATIONAL MILK SANITATION ACT, BEFORE THE SUBCOMMITTEE ON HEALTH AND SAFETY, HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, APRIL 26, 1960

Mr. Chairman and members of the committee, we appreciate this opportunity to testify concerning the views of the Department of Health, Education, and Welfare on H.R. 3840 and identical bills. I have with me today Mr. John D. Faulkner, Chief of the Milk and Food Program, Division of Engineering Services, Bureau of State Services, Public Health Service and Mr. Theodore Ellenbogen, legislative attorney, Office of the General Counsel, Department of Health, Education, and Welfare, both of whom testified before this subcommittee 2 years ago on H.R. 7794—which also dealt with interstate milk shipments.

I should like to present a statement and then, with the assistance of these gentlemen, answer any questions which the committee may care to ask.

H.R. 3840 would amend the Public Health Service Act in such way as to require the Surgeon General to promulgate a Federal Milk Sanitation Code and to administer a program for certification of interstate milk plants, whose milk and milk products, subject to certain conditions, could not be excluded from a receiving State or locality on health grounds if they complied with the provisions of the Federal Milk Sanitation Code.

The Department of Health, Education, and Welfare favors the enactment of H.R. 3840 with minor technical amendments. The reasons are contained in Secretary Flemming's report on the bill. I request, Mr. Chairman, that this report be incorporated in its entirety in the record, and I will limit my presentation to a discussion of Public Health Service interests and activities in the field of milk sanitation which appear pertinent to the bill and to further amplification of points made in the Secretary's report.

It is paradoxical that milk is both important to the maintenance of our health and at the same time has a great potential to serve as a carrier of disease. The very nature of milk production and its subsequent handling enhances the danger to the consumer unless the product is properly safeguarded at every stage. The list of diseases which have been transmitted to man through the consumption of milk is long. It includes typhoid and paratyphoid fever, bovine tuberculosis, brucellosis, diphtheria, septic sore throat, diarrhea and enteritis, Q fever, and food poisoning. Information on the extent of milkborne disease in the United States during the first quarter of the century is limited; however, in the literature for this period, there are records of 891 disease outbreaks.

A total of 42,327 cases, and 410 deaths were involved. Since 1926, the Public Health Service has received reports of 1,026 out-

breaks of milkborne disease involving 40,973 cases and 655 deaths.

The incidence of milkborne disease in the United States has been sharply reduced in recent years, but occasional outbreaks still occur, such as the 1955 paratyphoid fever outbreak in Lancaster, Pa., which serve to remind us that it is a measure of control through constant vigilance rather than elimination of disease which has been achieved.

The activities of the Public Health Service in milk sanitation began at the turn of the century with studies on the role of milk in the spread of disease. This work led to the conclusion that effective public health control of milkborne disease requires the application of sanitation measures throughout production, handling, pasteurization, and distribution of milk. These early studies were followed by research to identify and evaluate sanitary measures which might be used to control disease, including studies which led to improvement of the pasteurization process.

To assist States and municipalities initiate effective programs for prevention of milkborne disease, the Service undertook the development of a standard milk ordinance for the sanitary control of milk which would include only those provisions necessary for protection of the public health. This resulted in 1924 in a model regulation, now known as the milk ordinance and code recommended by the Public Health Service. With the aid of a national advisory committee, it has been revised 12 times since 1924 in order to incorporate new knowledge into public health practice.

The great variation once prevalent among milk regulations has been markedly reduced. The milk ordinance and code is now used as the basis for the milk sanitation regulations of 36 States. It has been voluntarily adopted by 1,426 municipalities and 496 counties. It is the basic standard used in the voluntary Cooperative State-PHS Program for the Certification of Interstate Milk Shippers which I shall describe shortly. It is also incorporated by reference in Federal specifications for procurement of milk and milk products, is used as the sanitary regulation for milk and milk products served on interstate carriers, and is recognized by public health agencies, the milk industry, and many others as a national standard for milk sanitation. We believe that the authors of H.R. 3840 were wise to propose its grade A standards as the basis for the development of the Federal Milk Sanitation Code which the bill would authorize.

Following the development of the milk ordinance and code, the Service expanded its milk sanitation activities in order to provide assistance to the many States and municipalities who were desirous of inaugurating programs for the control of milkborne disease. Today, our milk sanitation activities include: (1) Conduct of research and investigations; (2) education and training of State, local, and industry personnel; (3) provision of technical and advisory assistance to States, municipalities, and industry on milk sanitation problems; (4) development of recommended standards and technical procedures; (5) enforcement of the interstate quarantine regulations with respect to the sanitary quality of milk and frozen desserts served on interstate conveyances; and (6) participation with the States in a voluntary program for certification of interstate milk shippers. I would like to discuss the way this latter activity was initiated, since H.R. 3840 would require full utilization of State and local supervision and inspection, and State certification, in a manner quite similar to that now used in the voluntary certification program.

The development of local milksheds for each community in the United States resulted from the fact that milk, which is such an important dietary item, is a highly

perishable product, and that, until comparatively recent years, there was not sufficient refrigerated transport in use to move large volumes of milk long distances in relatively short periods of time. Because of the ever-present possibility of contamination of milk with disease organisms, and because, in the early years, the sanitary control of milk was not extensive, practically all States and municipalities included in their milk sanitation regulations, a requirement that no milk could be sold within their jurisdiction unless inspected at the source by their own personnel. Under the conditions then existing, this requirement was probably justified.

These conditions, however, have changed during the past 25 years. The expansion of population and growth of our metropolitan centers, with an attendant reduction of land available for dairy farming, has compelled communities to look to more distant sources for more and more of their fluid milk and cream supplies. In some areas of the United States this need has been limited to periods of seasonal shortage, but an increasing number of areas have found it necessary to import some milk throughout most of the year. This period of population growth has also been a period of great technological change. Developments in sanitation, farm refrigeration, processing techniques, and refrigerated transport now make possible the movement of quality milk and milk products safely to any point in the Nation.

As more and more communities found it necessary to supplement their milk supplies from outside sources, many health authorities took the position that it was unnecessary, and, in fact, wasteful of tax dollars, to send their personnel to make inspections of distant sources that were already under adequate supervision and inspection of another health agency. The problem this group faced was how to obtain reliable information as to the sanitary quality of the supply, and they urged the Public Health Service to set up a system to supply such information. Such a system was established in 1950, following a National Conference on Interstate Milk Shipments which was called by the Surgeon General.

Under this program, inspection and laboratory control of interstate milk supplies are performed by the States and municipalities in which the source of milk is located, using the Public Health Service Milk Ordinance and Code, and the rating method developed by the Service, as uniform criteria for evaluation. The States report to the Service those shippers whose products and plants have been rated by them in accordance with the applicable sanitary requirements, and the Service publishes quarterly, a list of the sanitation ratings of such certified shippers for the information of areas desiring to import milk. However, no shipper's rating is published without his permission. In order to validate the sanitation compliance ratings submitted by the States, the Service periodically spot checks such ratings and evaluates the work of each participating State, including its laboratory program. The basic features of this voluntary system are the same as those which the authors have incorporated into H.R. 3840, and identical bills.

This voluntary program has grown considerably during the last 8 years. In 1951, the first year of the program, 160 shippers located in 17 States were certified. The January 1, 1960 list of certified shippers includes the names and ratings of 700 interstate plants located in 35 States and the District of Columbia. These shippers obtain their supplies from an estimated 100,000-125,000 Grade A dairy farms. In our opinion, it has been helpful in facilitating the interstate movement of milk supplies of high sanitary quality into States and cities whose

regulatory officials are willing to accept such milk on the basis of the ratings made by the milk sanitation rating agency of the State in which the outside supply is located. However, being voluntary in nature, it has not and cannot eliminate the deliberate or unreasonable use of health regulations as trade barriers.

There is considerable evidence to indicate that milk sanitation regulations of States and municipalities are frequently used to obstruct the movement of milk of high sanitary quality in interstate commerce.

Such obstruction may result from legal limitations contained in the laws and regulations of a given jurisdiction; from practical difficulties in the inspection of farms or plants located in distant areas, when a community insists on making its own inspections as a prerequisite for acceptance of out-of-State milk; or may be a matter of administrative policy which has been established for economic purposes.

The U.S. Department of Agriculture, several years ago, conducted a study of the impact of sanitary requirements, Federal orders, State milk control laws, and truck laws on price, supply, and consumption, the results of which were published in Marketing Research Report No. 98. This study included a survey of the policies affecting the acceptance of milk in all communities over 25,000 population having full-time health units. The report states (p. 20) under "Examples of Restrictive Sanitary Regulations":

"By far the most common policy standing in the way of free movement of milk was the refusal of given jurisdictions to accept milk produced or handled under the supervision of other jurisdictions having substantially equivalent sanitary standards."

In the "Summary and Conclusions" section of the same report, the statement is made:

"Some markets prohibit outright the entry of milk from beyond specific limits. Others burden such entry by insisting on their own inspection and then delay or refuse to inspect, or levy discriminatory fees. Still other markets differentiate their regulations from those of surrounding areas without apparent necessity."

Our experience indicates that there are milk sanitation requirements and practices, of little or no public health significance, which impede or obstruct the movement of high quality milk in interstate commerce, or which limit the acceptance of such milk to periods of seasonal shortage. These are: (1) The charging of high inspection fees which distant shippers feel they do not wish to pay considering the volume of milk likely to be sold; (2) inclusion of certain detailed specifications in regulations which have little or no effect on the sanitary quality of milk, such as specific dimensions for cow barn gutters, and which are not required by the producing State; (3), refusal to accept milk from an out-of-State source, or even an intrastate source, because the producing jurisdiction does not have an identical bacterial standard in its regulations, regardless of whether or not the milk itself meets the bacterial count standards of the receiving jurisdiction; (4) refusal, or unwillingness, to inspect dairy farms or milk plants located beyond an arbitrarily fixed distance; and (5) more stringent application of sanitary standards to out-of-State sources than are enforced within their own jurisdiction.

The Association of State and Territorial Health Officers has given consideration to the use by some States and municipalities of health regulations as economic trade barriers to the free movement of fluid milk both in intrastate and interstate commerce. In an official report entitled "Need and Recommended Principles for Federal Milk Sanitation Legislation," it is stated:

"The association recognizes that States and their political subdivisions have the



right to exclude milk of questionable quality, but unanimously agrees that health regulations should not be used to restrict either the intrastate or interstate movement of milk of high sanitary quality. In this connection it is felt that the sanitary control of market milk and milk products cannot be divorced from the economics of milk production, processing and marketing, and that health agencies at all levels of government have a responsibility to avoid taking actions which cannot be sustained on public health grounds and which have an adverse economic effect on the dairy industry."

On this point, we would like to state that the Public Health Service has long held the view that milk sanitation regulations were for the express purpose of protecting the public health, and should not be used as a means of regulating the economic aspects of milk marketing. I would like to emphasize that our objections to the misuse of health and milk sanitation regulations as trade barriers do not stem from any opinion we may hold concerning the economic regulation of milk marketing. Our concern in this matter is that we believe public health regulations should be kept separate from economic regulations so that they will not be subject to economic pressures.

The policy of some local jurisdictions to insist that their own personnel make inspections of out-of-State milk supplies as a prerequisite for acceptance, even though such supplies may be under the full-time supervision of another health agency, leads to costly duplication of inspection services. Often a single supply may be inspected by authorities from six to ten different States or municipalities in a year's time. It is our view that, where an out-of-State source is under the routine supervision of a responsible milk sanitation agency, and means are available for obtaining reliable information on the sanitary status of the supply, duplication of inspection is wholly unnecessary as well as an expensive and wasteful practice to both the shipping and receiving jurisdiction.

Many of the advocates of direct inspection of out-of-State sources have taken the position that this is the only way that they can be assured that such supplies conform with their own requirements, and are safe for consumption within their own jurisdictions. On the other hand, there is wide agreement today among health authorities as to the basic requirements necessary to protect milk supplies, and the voluntary program for the certification of interstate milk supplies has demonstrated that States and municipalities can obtain reliable information on the sanitary status of out-of-State supplies without sending inspectors to distant sources. In our opinion, those agencies, which unnecessarily spend part of their health appropriation to duplicate the inspection services of other health agencies, would be better advised to spend such funds to strengthen local milk sanitation services, or for other more pressing health needs.

Commenting specifically on H.R. 3840, I would like to point out that this bill is quite different in approach and application from H.R. 7794 (85th Cong.) on which we reported unfavorably in 1958. Our position on that bill was based primarily on the view that the problem of trade barriers arising from the misuse of milk sanitation regulations was not of such dimensions as to justify so drastic a remedy as the expensive, far-reaching, pervasive, and overriding system of Federal regulation of all milk and fluid milk products in, or affecting interstate commerce, such as H.R. 7794 would have prescribed. We were particularly concerned with the "affects interstate commerce" clause of H.R. 7794, which appeared to us to call for a costly system of Federal inspection that would be superimposed unnecessarily on State and local inspection

services to such an extent that even intrastate supplies of most major milk markets would have been involved. Thus, we were of the opinion that H.R. 7794, if it became law, would weaken State and local milk sanitation programs considerably.

Following the hearings on H.R. 7794, the chairman of the Subcommittee on Health and Science, Committee on Interstate and Foreign Commerce, requested the Department to submit recommendations for changes which should be made in the event the committee should desire to give favorable consideration to the enactment of Federal milk sanitation legislation. In replying to this request, Assistant Secretary Richardson, in submitting a supplemental report on H.R. 7794, stated:

"We believe that, if there is to be Federal regulatory legislation on this subject, its objective—i.e., to prevent the use of State or local milk sanitation requirements as trade barriers to the free interstate marketing of milk and fluid milk products—could, and should, be fully achieved by a law far less drastic and costly to the Federal Government, one so designed as to avoid direct Federal regulation of, and Federal penalties on, persons engaged in milk production, processing, distribution, etc., and to keep Federal interference with the traditional authority and responsibility of States and localities for milk sanitation to the necessary minimum.

"This is also the conclusion of the Association of State and Territorial Health Officers, which had established a committee to consult with the Surgeon General on the advisability of Federal legislation in this field.

"The above-suggested approach would require preparation of a completely new bill."

Our review of H.R. 3840 indicates that its provisions are in accord with the specifications set forth in Assistant Secretary Richardson's supplemental report of December 17, 1958, as well as with the principles specified in the official statement and recommendations of the Association of State and Territorial Health Officers entitled "Need and Recommended Principles for Federal Milk Sanitation Legislation."

We would favor the enactment of H.R. 3840, with the minor amendments set forth in Secretary Flemming's report on the bill, for the following reasons:

1. H.R. 3840 would provide an effective means of eliminating barriers to the interstate shipment of fluid milk and fluid milk products resulting from unduly restrictive sanitation regulations and differing inspection requirements without displacement of existing local systems. It would apply the force of Federal law only where health regulations or enforcement practices unnecessarily obstruct the interstate marketing of wholesome milk of high sanitary quality. At the same time, it would preserve to all jurisdictions the right to reject milk which had been certified under the provisions of the bill if such milk failed to conform to the bacterial, temperature, composition standards, and other criteria of the Federal Milk Sanitation Code which would be promulgated under the act. It would not affect those jurisdictions which already accept milk from other States.

2. H.R. 3840 would utilize, subject to Public Health Service checks, the existing structure of State and local milk sanitation services for supervision, inspection, laboratory control, rating, and certification of interstate milk supplies, in a manner quite similar to that now used in the voluntary program for the certification of interstate milk shippers. It would utilize, as a basis of the Federal Milk Sanitation Code, the grade A sanitation standards of the milk ordinance and code recommended by the Public Health Service, current on the date of enactment of the bill. The recommended milk ordinance and code, as mentioned earlier, pres-

ently serves as the basis for the regulations of 36 States and over 1,900 local jurisdictions. This should remove the reservations that some health authorities, as well as industry people, may have concerning both the adequacy and practicality of a new Federal Milk Sanitation Code. Also, since the bill does not contain an "affects interstate commerce" clause, it does not deprive States and local communities of the right to exercise full sanitary control over their intrastate supplies.

3. We believe H.R. 3840 has other important public health implications. It would assure fluid milk and milk products of high sanitary quality to jurisdictions receiving milk and milk products under its provisions. In many cases, it would undoubtedly lead to an improvement in the sanitary quality of milk supplies by eliminating the need for utilizing supplies of inferior or questionable quality during periods of shortage. We also believe it inevitable that the immunities conferred by the bill, together with the prestige attached to compliance, to a degree of at least 90 percent, with the Federal standard, would inspire both industry and official milk sanitation agencies to seek necessary improvements in their local supplies. Consequently, we are certain that the bill would result in added health protection for consumers of milk in many areas.

4. H.R. 3840 would discourage State and local jurisdictions from sending their own personnel to make inspections of out-of-State milk sources and thus, to a large degree, would eliminate duplication of inspection.

5. The provisions of H.R. 3840 could be carried out by the Surgeon General of the Public Health Service at a relatively modest expenditure by the Federal Government. It is estimated that, if the bill should become law, the Public Health Service could carry out its responsibilities under the act at an estimated cost of \$630,000 for the first year of operation, \$834,000 for the second year, \$905,000 for the third year, \$976,000 for the fourth year, and \$1,046,000 for the fifth year, at which point, costs should level off. These cost estimates are in addition to approximately \$365,000 being spent in fiscal year 1961 for milk sanitation activities. However, while these estimates indicate that the statutory appropriation ceiling of \$1,500,000 per year contained in the bill would be adequate for some years, we urge that the dollar ceiling be eliminated from the bill, especially since our estimates are not a long-range forecast. As said in the Department's report on the bill, to "put a dollar ceiling in a health-regulatory measure, especially one which makes receiving States and localities depend on the ability of the Public Health Service to carry out its responsibilities under the bill in all eventualities, would be seriously objectionable. The budgetary process is fully adequate to assure congressional verification of actual requirements for the program."

I wish to thank the committee for its courtesy to me and to the Department in the presentation of his statement.

#### ROBERT CALDWELL, EDITOR OF BAYONNE TIMES, RECEIVES AD HUMANOS AWARD

Mr. WOLF. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER] may extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, it is with a great deal of pleasure that I call to the attention of my colleagues a recent

award which was bestowed upon a most deserving gentleman—Robert Caldwell, editor of the Bayonne Times, a newspaper published in my district. Mr. Caldwell received the first Ad Humanos Award of Mount Carmel Institute of Adult Education. This award is given to an outstanding person in recognition of distinguished and noteworthy service in promoting the cause of the humanities and fostering in an exemplary manner the true spirit of good citizenship. Mr. Caldwell is most deserving of this award. He is a dedicated humanitarian whose diligent, faithful, and outstanding contributions are exemplified by his tireless efforts on behalf of Bayonne.

I wish to commend the institute for selecting such a worthy citizen as the recipient of this award. I want to congratulate and wish every continued success to Mr. Caldwell.

I would like to include as part of my remarks the following article from the Bayonne Times of April 7, 1960, in which their editor is honored:

**INSTITUTE HONORS EDITOR OF TIMES, NAMES HIM FOR AD HUMANOS AWARD**

Robert N. Caldwell, managing editor of the Bayonne Times had been named to receive the first Ad Humanos Award of Mount Carmel Institute of Adult Education, Rt. Rev. Msgr. Anthony A. Tralka, president, announced today. The award is "given to an outstanding person in recognition of distinguished and noteworthy service in promoting the cause of the humanities and fostering in an exemplary manner the true spirit of good citizenship."

Stanley P. Kosakowski, spokesman for the awards committee, lauded Caldwell "for the past 13 years of service to the citizens of Bayonne with such steadfastness of purpose, courage, and ability, with dignity and wisdom as well as prudence in the exacting and challenging post of managing editor of the Bayonne Times."

"During his tenure, the Ad Humanos Award recipient has unceasingly stressed and heralded the good and wholesome, maintaining the high standards of ethics and morality so sadly neglected by many in journalism today," Dean Kosakowski continued: "Caldwell has thus helped make and keep the Bayonne Times so typically a good community and family newspaper—one with a heart—serving all the citizens in all parts so effectively."

"Editor Caldwell, by his constant, faithful, and diligent efforts has helped promote the idea that Bayonne is a good place to live and work and is a good neighbor, as evinced by his provocative and timely editorials, by maintaining a thoughtful and challenging youth page, by his treatment of political issues and news items so intelligently and objectively. Also by the impressive and well balanced social page, by the complete, and comprehensive coverage of local sports news, by the selection of many inspiring, and informative feature articles that appear in the pages of the Bayonne Times, and by an adequate reporting of church and religious news and indeed by the integrity of reporting daily happenings in the community."

"The 1960 award winner has performed his duties with steadfastness of purpose in spite of many difficulties, obstacles, and barriers, taking the lead in critical areas to help make the lives of all the people in the community and Nation a better, friendlier, and safer place to work and live amidst the bountiful gifts showered on us by Almighty God," Kosakowski continued.

"Mount Carmel Institute being an integral part of the community, feels that it has

honored itself by bestowing this honor upon Robert N. Caldwell, who in the opinion of the committee, after a careful and diligent study, was considered to have contributed much for the cause of humanity, so that his works and example serve as a beacon for the rest to see and imitate in the great cause of the humanities.

"Being mindful of these outstanding qualities the president and faculty of Mount Carmel Institute of Adult Education wish to recognize and extend their sincere and whole-hearted appreciation to Robert N. Caldwell, for his outstanding contributions to the citizens of Bayonne and to commend him and the publisher and staff of the Bayonne Times for their faithful and unselfish efforts."

Caldwell was born in Titusville, Pa., and attended schools there, in New York, and in Hasbrouck Heights. After graduation from Columbia he worked with the Bergen Evening Record for 13 years, and then spent 2 years in business in New York before coming to Bayonne in 1947.

#### THE TEAMSTERS UNION

Mr. TOLLEFSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TOLLEFSON. Mr. Speaker, I have received several communications relative to the Teamster monitoring system which is now in effect under an order of the U.S. District Court for the District of Columbia. All inform me that the members of the Teamsters Union, who number some 1,600,000, desire to hold a convention for the purpose of electing a president at a free and open election. They have been denied the right to hold such an election. Editorials appearing in the Wall Street Journal, the Nation, the Detroit News, and the Toledo Blade have commented on the situation which exists, and have agreed in general that during the approximately 2 years of monitoring nothing much has been done about Hoffa and the Teamsters. These editorials have not reflected much credit upon the court having jurisdiction of the case or the monitors.

Copies of the editorials have heretofore been printed in the RECORD and therefore it is not necessary to ask that they be printed again in connection with my brief remarks. However, an excerpt from the editorial of the Nation merits attention, and reads as follows:

The truth is that to deprive union members of the right to vote for their international officers is no more defensible, legally, than to deprive stockholders of their right to elect officers of United States Steel.

The consent decree in the case pending in the district court provided for a board of three monitors to serve until a new convention for the election of Teamster officers. The Landrum-Griffin bill of last year provided for the calling of such elections. Yet the Teamster members are denied the right to hold one by virtue of the actions of the monitors and the court. It seems to me that this situation is one which merits the early attention of Congress.

One of the communications I have received is a telegram from members of a

Teamster local in my State. I include it herewith:

SEATTLE, WASH., April 20, 1960.

Hon. THOR TOLLEFSON,  
Member of Congress, House Office Building,  
Washington, D.C.:

We, the undersigned rank-and-file members of General Teamsters Local No. 174, hereby petition Congress for redress of grievances:

1. Undue delay of the monitorship has led to the squandering of over \$1 million of Teamsters rank-and-file moneys and the denial of our basic rights to a convention to elect officers of our own choosing as guaranteed by the Landrum-Griffin law.

Please use your good offices to bring this matter to the attention of Congress and the appropriate congressional committee to investigate the misconduct of the monitors and the Federal court judge and cause the necessary remedial legislation.

Henry W. Pratt, Walter C. Hinricksen, Ernest W. Ottosen, Richard S. Leitch, Glenn F. Hoffand, George Crain, Everett Olerud, Dante Crenna, Harry Winchester, Wallace E. Scott, Edward Joseph, Jr., H. D. Maltby, Frederick S. Richard, Danny Hislop, George S. Corner, Stacy W. Barton, Lester D. Jackson, Bob E. Lackey, Art Monroe, John R. Stocker, Mel Ream, Gus Stumpf, Floyd Sumey, Dwight L. Finch, Leslie W. Lamb, Jack D. Tarrant, George S. Kuklenski, Robert N. McDaniel, Vic Calderon, Don Wilston, George K. Woodruff, Nicholas Matula, Glen Sargent, Mike R. Boyovich, Dale E. Heltsley, Clayton E. Reid, Bill Heron, Ralph Bingham, George Malm, Leo Foti, R. P. Raffensberger, Leonard Smith, Clifford Graham, Bertil H. Stromback, Doris Ridenour, Ralph B. Ledbetter, Orville L. Brown, Jeano Ceccarelli, George S. Case, Archie Carrossino, Nick Vacca, V. R. Mattson, Bruce Ed Miller, William H. Bartee, James Menaglia, Steve Gaudino, Karl C. Woehle, Mario Bevilacqua, Charles M. Wilber, Wesley P. Dew, D. McCallom, M. M. MacPherson, Dominic Colello, Don Rousu, Walter Seltz, Martin J. Kearney, Raymond H. Dietz, William J. Divers, Jr., Gary Johnson, D. S. Larson, R. W. Sager, D. L. Cody, Donald E. Anderson, Frank J. Noble, Robert E. Dugan, John S. Thomas, Raymond H. Johnson, Carl Horne, Reginald D. James, Walter E. Watson, David W. Andrews, Oscar M. Lundstrom, Lloyd Laplante, W. H. Harrison, Thomas V. Peterson, Stanley Mitzak, Howard Haup, William Barnes, Louis Loisel, W. Chapman, Leo Krettle, Jim Anderson, George Lavoy, Dick Casebere, John W. Dietz, Frank Eliason, Harry A. Hastings, Reenhold Sell, Marcus J. Nolan, H. W. Telquist, Elmer Knisley, John Johnson, Bill De Vorse, Mike Rechev, I. Jack Lacher, George R. Axtel, Hugh A. Tankersley, Wm. C. Douglass, F. E. O'Brien, Archie R. Klithcourt, James E. Gatis, Kenneth R. Burns, J. Ray Tunison, Chris Fryderland, Dave Greenlee, Arthur L. Lamm, Thomas J. Hall, Geo. W. Clayton, A. J. Spaetiz, E. N. West, H. W. Horton, W. W. Armstrong, R. L. Shaw, John P. Donaher, Wm. Wallace, John F. Sneiderman, Lloyd Nelson, David R. Galvin, Eric R. Lindberg, Jack L. Anderson, Lee Bratton, Bob Clark, L. O. Laxton, Clare G. Bingham, James Jangewood, Charles R. Sundstrom, George Scanlon, Jay Hershey, Jess L. Powers, B. O. Anderson, Rodney R. Kliner, R. E. Hudson, H. L. Botchler, Winfield Myers, John Annear, George H. Sturgio, Oliver W. Jacobson, E. A. Ribb, Joe



Winkle, Ray S. Edwards, Paul E. Jacobson, Charlie Kline, Michael J. Brady, James Thorpe, Fred L. Keyes, Fred M. White, Bob Cragg, Pete Peters, Morris Cody, F. Nooney, Ernest A. Ford, Donald E. Hallett, Earl Robinson, Melvin G. Thomas, Fred L. Pitcher, David A. Collin, John Fattom, Frank Pugel, O. Fladmark, G. Pittmaurille, F. Pennington, Donald L. Anderson, Arthur J. Erickson, David Franco, Harold Ray, George Hammericksen, Eugene E. Judd, Bryce E. Brown, Robert Bakkus, Bunton J. Heath, Victor W. Johnson, Fred G. Allinson, Jr., Joseph H. Ginecchi, Robert J. Sullivan, Gene R. Crosse, Mich. Mau, John Rogers, David E. Gault, H. T. Jenseth, R. Gardner, W. Coause, J. Kain, F. Hanson, D. Marion, R. Bolstern, John Lopez, James McElhinny, L. A. Nelson, Elmer Madde, Wes Warner, Bert H. Keush, H. Richards, J. J. Curti, Wm. F. Mogden, Earl Hendrickson, Ronald Scheidt, W. S. Smith, Jr., L. U. Easter, Donald Werner, Joe Ferrelli, Bud Richardson, Robert McCoy, Robert J. Paul, Bert Scribner, L. D. Briggs, Wayne Hall, Stu Goranson, Harry G. Fisk, Jack E. Reynolds, Harold A. Hill, M. A. Nick Telquist, Vernon T. Nielsen, Geo. L. Stensen, George W. Auld, Vincent J. Comisso, M. L. Berry, Leroy Reid, Richard Kroening, Allen C. Kilby, James Martineau, Nelson Chamberline, Billy Ray Adams, William Reese, Martin C. Kalkenroth, E. D. Schwartz, J. C. Catterlin, J. S. Yeoman, E. H. Jones, D. E. Meier, C. R. Shaw, Harold Kenney, A. Ellis, George R. Coleman, C. P. Brown, Walter Wendt, William Cokir, Robert Peterson, Ed Ruthensky, Bud Dove, Geo. Rossback, Amonn J. Hash, T. R. De Jausserand, Lee S. Claver, Hugh A. Osburn, William T. Fury, Paul McGuair, Theron Thomas, Howard H. La Duke, J. L. Willett, J. W. Garbysh, J. E. Stephens, Eli J. Marringer, Roy H. Lund, Harry McKenzie, James V. Harrison, Geo. M. Harry, Andrew P. Sullivan, Ray J. Mangeni, Weigent La Poma, Danel N. Osborn, James P. Martin, Jr.

#### FEDERAL MINE SAFETY ACT

Mr. GRIFFIN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SAYLOR] may extend his remarks in the body of the Record and include extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. SAYLOR. Mr. Speaker, it was indeed gratifying to learn of the overwhelming approval by the U.S. Senate of the bill introduced by the senior Senator from Pennsylvania, Mr. CLARK, and cosponsored by others, to extend the protection of the Federal Coal Mine Safety Act to all miners, regardless of the size of the mine in which they work or the number of men employed in those mines.

Those Members of Congress who participated in the debate and passage of the Federal Coal Mine Safety Act in 1952 recall the testimony that led to the enactment of that law.

Every year since that time the U.S. Bureau of Mines, the United Mine Workers of America, and the individual operators have requested Congress to amend this act, thereby extending its provisions to mines employing less than 14 men.

A coal miner should be entitled to the protection of the best safety conditions regardless of the number of men who work with him. His life is just as precious to him and his family regardless of the size of the operation.

The arguments against this bill have been principally economic. I personally believe that a mine that affords adequate safety regulations for its miners will be a better mine from the operators standpoint. It seems rather ridiculous to say that if you employ 14 or less miners you can disregard their safety, but if you employ 15 men you must make their working conditions safe as provided in the Federal Coal Mine Safety Act of 1952.

I again congratulate the Senate on its overwhelming vote and hope that the House Committee on Education and Labor will soon bring this bill to the floor for speedy passage.

#### TWELFTH ANNIVERSARY OF THE STATE OF ISRAEL: THE MIRACLE OF THE IMPOSSIBLE

Mr. IRWIN. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. TELLER] may extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. TELLER. Mr. Speaker, if a miracle is that which transcends the bounds of the possible, then this year on May 14 we celebrate the 12th anniversary of a miracle—the rebirth of the State of Israel. To paraphrase the words of the 17th century British poet, Andrew Marvell:

This state was a birth as rare  
As dream and hope could ever be;  
It was begotten by despair  
Upon impossibility.

For it seems impossible that a people dispersed through countless countries for countless centuries should have held to a dream of returning to their original homeland. Yet faith in this dream did not die despite the oppressions and persecutions the descendants of Israel so often endured in so many lands. It seems impossible that a people so long alienated from agrarian pursuits should have tried to turn an arid wasteland into a fertile orchard. Yet their endless endeavor and patient perseverance caused water to flow, trees to grow and fruit to flourish. It seems almost impossible for a long-passive people to have dared to brave the onslaught of numerically superior forces that threatened with force of arms to engulf them from all directions. Yet in desperation the people long known as the "People of the Book" took sword in hand and successfully defended themselves against overwhelming odds. This was truly a triumph of faith, courage and endeavor over impossibility.

When after 2,000 years the State of Israel rose again like a phoenix from the long-dormant desert, it was only to face a challenge whose very magnitude made survival seem impossible. This was the challenge of accepting and absorbing

the thousands and thousands of Jews who desperately needed a place of refuge and rehabilitation.

The problems facing the new State seemed already insuperable without this additional task. First there was the ever-present problem of defense. Ringed around by hostile nations eager to obliterate them, the people of Israel were forced to expend much of their resources and energies to maintain a perpetual state of preparedness. To protect the borders was not easy. For in Israel, smaller in size than our State of Massachusetts, no settlement except in the southern Negev is more than 20 miles away from an Arab frontier. Then there was the problem of meeting the minimum needs of the people already in the country. Despite the intensive efforts of several generations of dedicated pioneers on the land, Israel was far from supplying her minimum food needs. Much had still to be done in the way of irrigation and land reclamation to make the barren and rocky soil fit for further cultivation. Little industry existed in Israel in 1948 and nearly all of the manufactured commodities consumed needed to be imported from abroad. These were but a few of the many problems upon whose solution depended the survival of the country and its people.

Yet Israel could not close its doors to the multitudes who needed entry. For to have done so would have been to deny its own roots and spiritual heritage. The proclamation of independence had stated:

The State of Israel will be open to Jewish immigration and the ingathering of exiles.

And the exiles came—from 4 continents and 70 countries. They came individually, in single family units, and in triple-generation patriarchal clans. They came from almost as great a variety of backgrounds as this world can offer. From the DP camps in Europe came the wan survivors of the Hitler horrors, the refugees from central Europe and those who could get out from the Iron Curtain countries of Eastern Europe. From the Near East came the victims of Arab retaliation—Syrian Jews from across the border, Iraqi Jews from the bazaars of Baghdad and the hills of Kurdistan, Yemenite Jews whose ways had not changed from the days of the Old Testament. They emigrated from north Africa—cosmopolitans from Cairo and Casablanca and rural groups from the remote Atlas Mountains. They emigrated from more distant Asia—Iranian Jews from Teheran and Isfahan and Indian Jews from Travancore-Cochin. From England, from South Africa, from New Zealand, from the United States, and from Canada, they came as pioneers to contribute their knowledge and skills to the building up of the reborn state.

During the first 3½ years of modern Israel's existence, over 684,000 entered Israel, taxing its limited facilities to the utmost. By now the total number of new immigrants has reached almost a million. This means that the Jewish population of 650,000 at the time of Israeli independence has had to absorb

twice its own number in a scant dozen years.

This was not merely a matter of opening the doors and making a place for people prepared for the rigors of resettlement in a harsh and challenging environment. For many of the new immigrants did not come, as did the early wave of settlers, with a sense of mission and a zeal for breaking ground in agricultural pioneering. Nor did they come, as did the latter wave of pre-state settlers, with the skills and trades and professions vitally needed in a newly developing country. Most arrived without money and means of any sort. Fewer than 2 percent had had any agricultural experience. Over half lacked vocational professional training. Included among them were large numbers of children, of aged and ill, urgently in need of medical attention and of social services of all types.

Food was in short supply, but they had to be fed. Textiles were in short supply, but they needed to be clothed. Housing was scarce, but they needed to be housed. They came speaking many tongues and needed to be taught the language of the country. They needed to be trained in productive tasks and given employment to become self-sufficient. Coming from a variety of cultures with many different customs, they needed help to integrate themselves into the social and cultural climate of their new home.

To provide all this in so brief a span of time seemed truly impossible and yet this Herculean task was accomplished. Plans were drafted by numerous governmental and semigovernmental agencies and resources, energies and manpower channelled into absorbing the immigrants into the already strained economic fabric of Israel. At first the immigrants were taken into reception centers and transitional camps where immediate survival needs were met but they were dependent upon continued assistance. In 1954, a new policy was instituted, called "From Ship to Settlement." This made provision for the new immigrants to be sent upon arrival to specific settlements and development areas where housing had been prepared and work was available.

To these settlements came doctors and nurses, teachers and technicians, agricultural advisers and irrigation specialists, social workers and numbers of other skilled specialists to help in the process of adaptation. Young Israelis sacrificed their individual ambitions to aid the immigrants to establish themselves. Old pioneers who had long earned the right to rest from their labors worked again to give the newcomers the benefits of their experience.

Today there is hardly a transitional camp left in Israel. Since 1948 more than 150,000 homes have been built for the new settlers. Where barely a few years ago was nothing but sand and stone, flourishing communities are growing and spreading. People who a short time ago had seen nothing more mobile than a camel are operating tractors and elaborate mechanical equipment. Schools and community centers and adult education institutes are pro-

viding a variety of courses, including intensive training in the Hebrew language. Over 400,000 adults have learned Hebrew in the last decade. What seemed impossible is being attained at an incredible rate of speed.

Not only has Israel, beginning with such limited sources, succeeded in absorbing these immigrants, but at the same time she has succeeded in expanding these resources at a remarkably impressive rate. In the first decade of her existence, for example, the land area under cultivation grew  $2\frac{1}{2}$  times. This feat is remarkable enough. But I am sure this audience needs no reminder that the land when the Israeli state was established was not like our own rich upstate New York, Ohio, or Iowa soils into which our own forefathers were fortunate enough to be able to move. The Israeli pioneers had to move into seemingly arid, almost desert-like areas where little rain falls and where any water, if it is to be had, must be brought long miles through costly irrigation systems. The desert land is fruitful soil if only the precious, life-giving water can be brought to it. And through tremendous efforts, the irrigated area of the land has been more than quadrupled. Almost 500 new agricultural settlements and villages were established in less than a decade. Earlier, these settlements, particularly in the desert Negev area, were mainly strung along the coast where there was some rainfall. But now that desert is spotted with green and verdant fields, drawing from the soil and the new water a rich garden of nature's fruitfulness.

Agricultural production, for example, has almost tripled and new crops have been introduced. The country has sought to produce crops for home consumption and for export. Cotton was first sown in 1953, for example, and now it supplies almost 40 percent of the local needs. The sugar beet was first planted in 1951 and is now not only cultivated but it is processed locally to contribute to Israel's standard of living, the highest in the area. Israel is already self-sufficient in the production of eggs, poultry, dairy and milk products, although a decade ago much of her dairy supplies had to come from abroad. The new Israel, like Palestine before it, is noted for its luscious oranges that are favored in many foreign markets, and the country is now self-sufficient in fruits and vegetables.

Prior to 1948, as I have said, there was little industry. But now Israel is the most industrialized area of the Middle East, exporting industrial as well as agricultural commodities. A remarkable variety of goods are now turned out by Israeli factories. Rubber tires, textiles of many types, canned foods, electrical equipment like radios and bulbs are all produced. Her ceramics and chemical industries derive largely from her own resources. Building materials she has aplenty, like cement. Her skilled immigrants have brought the difficult craftsmanship to manufacture industrial diamonds and to cut rough diamonds into beautiful and useful shapes. After many years of exploration, much discouragement but persistence, oil was fi-

nally located in the Negev, and domestic oil production now meets one-tenth of the country's needs. A lengthy pipeline winds its way from the Gulf of Aqaba and then across the desert to Beersheba. Its extension to the Mediterranean may make possible the movement of oil across from the Red Sea to the Mediterranean without having to depend upon the good will of the Egyptian Government. From the Dead Sea and the desert of the Negev minerals such as potash, copper, and phosphate are being extracted. Thus from very small beginnings, in one decade Israel has been able to develop many of the industries which distinguish industrial from agricultural countries. The skill, the dynamic drive and the enterprise of Israel's intelligent population have together made great things happen in Israel.

It is no devaluation of the Israeli achievement to point out that this remarkable economic and industrial growth is not alone the result of Israeli efforts on Israeli soil. Without their vision and skills these achievements were not possible. On the other hand, it is only just to note the very important role that foreign resources have also played in this development. Aid from abroad has been very large, not by comparison with the need, but in proportion to the population. Extensive loans and grants have been made by our Government. The Jewish community of the world has contributed to this great cause. Indeed, without the voluntary contributions of millions of the more favored members of the Jewish community, the entire enterprise would long ago have foundered. Moreover, Israel's finances have been helped over several rough patches by reparations from Germany—however bitter the recollection of what the Nazis did to decimate the Jewish community in Western and Eastern Europe. And the release of frozen sterling balances from London also helped. Moreover, Jewish and non-Jewish firms have invested directly in enterprises in Israel, investment decisions which brought technical know-how, sales organizations and other economic advantages. Although there were groups within Israel who by reasons of doctrine and obsolete political ideas thought that all private enterprise was "exploitive" and "imperialist" and what not, the government and preponderating opinion were wise enough to see that good could come of setting those conditions that would attract foreign investors. And this has certainly proved its value to the growing economy.

Yet even with such aid, this could not have been accomplished without the constant devotion to effort and dedication to the national purpose of a people bent on building their homeland into more than a mere place of refuge. Visitors to Israel have come away impressed with the sense of mission and urgency that have characterized Israelis in all lines of activity. They have seen the government planners in shirt sleeves too busy to stand on ceremony. They have seen men, women, and children walk miles each day under the burning desert sun carrying pails of water to water a plant that will one day become a tall tree. They have seen men man the border



settlements with a plow in one hand and a rifle in the other, while their wives calmly bear babies and bring them up under the threat of gunfire and infiltration.

But today I do not want to dwell too long on the accomplishments of Israel, numerous and impressive though they are. I rather wish to emphasize the significance of these accomplishments for the world outside of Israel. And I want to stress the new and vital role that Israel has undertaken in recent years to strengthen the free world.

Today Israel stands as living proof that rapid economic development and social change can successfully take place within the framework of democratic political institutions. And today Israel stands as a sterling example that East and West can meet with understanding and truly work together as partners in progress.

One of the major question marks in the world today is the future of the newly independent countries of Asia and the presently emerging countries of Africa. They have achieved and are achieving political independence. They have asserted their preference for democratic forms of government. But if political democracy cannot soon secure for these nations the economic gains and the rising standard of living traditionally associated with the democratic way of life, there is the danger that they may decide to dispense with democracy. For two systems are competing today in the race to banish poverty and privation from the underdeveloped areas of the earth. One is the system of force and the other the system of freedom.

Israel stands not only as a bastion of democracy in the Middle East where democracy is faltering and may be failing. But Israel, which itself has faced and overcome most of the problems which plague the newly independent states, has dramatically proven that they can be overcome without sacrificing democratic processes.

One of the major difficulties facing the new countries is the achievement of national unity among populations composed of many different ethnic, cultural, and linguistic groups with diverse customs and diverse interests. Few other countries have as heterogeneous a population as Israel, whose people may have derived from one religious and spiritual heritage but represent many different cultures, customs, and traditions of behavior. Yet in the towns, the villages, and in the army, they have learned to live and work together, to reconcile and blend their differences and to fuse their various contributions into a national culture and consciousness.

What probably strikes the first-time visitor to Israel most strongly is the extreme variety of physical types encountered in the streets of any of the large cities. Side by side in the cafes sit tall, blue-eyed, tow-haired, and pale-skinned people who might have come from the fords of Scandinavia and slight, blue-black-haired, brown-skinned people who would certainly be indistinguishable in any Indian gathering. Next to a squat, thick-set and stalwart man

who may have come from the steppes of Russia walks a curly tressed, liquid-eyed, and copper-toned beauty who may have once peered from behind a tent in Yemen. Not only in the cities but in the slopes of the vineyards and in the fields of cotton one sees working side by side Jews from Johannesburg and Jews from Morocco and an army unit marching by may be formed of men formerly from 40 countries.

Yet Israel has managed to absorb these people and the ideas and institutions they have brought with them from various parts of the world and reshape them to her needs without force and without sacrificing political stability and the freedoms of speech and press and assembly. Late last year Israel had another national election and 12 parties out of the 24 which ran slates are represented in the Knesset, the national parliament. These parties represent a wide variety of points of view and interest groups. It may be noted in passing that the non-Jewish population of Israel, mainly Arabic, are also represented in parliament and are also being brought into the modern national life through training and educational facilities and encouragement in the use of new techniques and materials.

The results of this election are also significant in several ways. For the Mapai, the leading party which has pursued policies oriented to the West, gained in strength and the Communists and leftwing groups which have advocated neutralism declined in strength rather dramatically. The Mapai Party seems to be showing a new look as its leadership has been augmented by a younger generation of men, such as former Chief of Staff Moshe Dayan, former Ambassador to the United States and to the United Nations Abba Eban, and former Director General of the Department of Defense Shimon Peres. These are men who seem to favor nonpartisan, pragmatic approaches to problems rather than holding to the doctrinaire socialism of the older leaders.

And it is in this area of offering pragmatic solutions to existing problems that Israeli economic methods can serve and are serving as models for underdeveloped areas. For Israel has successfully developed a number of economic and social forms of organization to meet the problems of economic development and social change as they arose. Side by side in Israel exist: the communal kibbutz where work is organized on a collective basis; the moshav, or smallholders' settlement, where families work individual farms but buy and sell through central cooperatives; several variants of both of these; and all the forms of private, public, and mixed enterprises.

This is one of the reasons why African and Asian countries, faced with the problem of stimulating economic development among elements of their populations whose social forms have been tribal and communal and cooperative, look to Israeli experience and seek assistance and advice from Israeli experts. In Ghana, Israeli advisers have been assisting with plans to create farming communities modeled on Israeli kibbutzim and mo-

shavim. In Nigeria, Israelis will supervise the initial development of 12 plantations patterned on her cooperative farms. The new African Federation of Mali, formerly French West Africa, is sending its young Senegalese and Sudanese for study visits to Israel and its president has recently asked for Israeli advisers on farm development and advice on the diversification of agriculture. Fifty-six Burmese have spent a year living and working on collective and cooperative settlements in Israel. It may be noted that, although some of these countries contain Moslem population elements and although they are linked to the Arab nations in the Bandung bloc, they have nevertheless resisted the pressure from the Arab bloc against maintaining ties with Israel. This suggests that in the search for solutions to common problems, political differences and religious distinctions may be transcended. And it is to be hoped that ultimately Israel's Arab neighbors will abandon their hostility and work with her in the development of the whole of the Near East area.

It is an oversimplification to say that Israel, having received aid in her time of greatest need, is in turn rendering aid to those who now need it. It is perhaps truer to say that many countries and many peoples of the world have participated in the building of Israel with advice and encouragement and funds. And Israel is now participating as a partner in the building of other countries which face problems similar to those she faced a decade ago.

As we have seen, Israel is peculiarly fitted to serve as a bridge between the West and the underdeveloped countries of Africa and Asia with which she has so much in common. She is a small country as most of them are small and she is not aligned militarily with any one of the major power blocs. This makes for a certain psychological rapport and allays the suspicion of strings that too often attaches to aid from the major powers. Israel began as they are beginning, with limited natural resources, short supplies of capital, and the social problems of a people in various stages of transition from traditional to modern ways of life. Israel has learned the hard way, as must many of these countries, how to deal with the problems of soil conservation, land reclamation, reforestation, water control, malaria control and the provision of social services to peoples desperately in need of them. And Israel is eager to share the knowledge she has obtained with those countries who can use it.

It is not merely in the field of technical assistance that Israel is working in partnership with the new nations of Asia and Africa, but also in the fields of investment and trade. One of the outstanding examples of joint investment has been that between Israel and Ghana. In 1947, there was incorporated in Ghana a new merchant fleet, the Black Star Line, 60 percent owned by the Government of Ghana and 40 percent by a private Israeli corporation, the Zim Navigation Line. Zim has been managing the line and training seamen from Ghana on the job, while the Israeli Gov-

ernment provided a mission to train merchant marine officers at the newly established Accra Nautical Academy. Ghana has saved so much in foreign exchange that she recently bought out the Zim interests. Another Israeli concern is in partnership with the Ghana Industrial Development Corp. in a building construction enterprise. Israel diamond interests have formed a partnership with the Guinea Government to market the output of Guinea diamond mines. Japan and Israel are planning a joint tuna-fishing operation, and Hong Kong and Israel a shipping partnership.

At the time when both Burma and Israel suffered acutely from a shortage of foreign exchange, Burma bartered rice for Israeli tires, machinery, and tools. Burma has had perhaps the longest technical assistance and trading relationship with Israel dating from the visit of the Burmese Prime Minister, U Nu, to Israel in 1955. Since then Burmese officials, technicians, and students have been studying in Israel and Israeli engineers, architects, doctors, agricultural specialists, and economists have been employed in Burma. Israeli technicians have been helping Burmese to grow wheat and this wheat is exported to Israel in return for industrial products and fertilizers. Israel is also contributing assistance to Burma's defense. Badly in need of military equipment herself, she nevertheless sold to Burma 20 Spitfires and provided pilot and maintenance training. In a communal settlement on Israel's northern frontier have been living a group of Burmese Army officers and their families. They are studying the possibility of introducing the Israeli system of strategic agricultural border settlements along their own insecure northern frontier.

Israel's developing relations with the Asian and African world are indeed of importance to the future of the free world everywhere. In the words of one commentator:

The Israeli model might well prove to be a sort of economic third force, an alternative from the Western pattern but certainly far more compatible with free world interests than any Communist model.

Because Israel has accomplished the seemingly impossible, she can provide inspiration for the countries who might doubt that development is possible without authoritarianism. The example and efforts of Israel may well be crucial in deciding whether democracy or totalitarianism is the path of the future for Asia and Africa.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. ROONEY (at the request of Mr. SANTANGELO), for the balance of the week, on account of illness.

Mr. RIEHLMAN (at the request of Mr. ARENDS), for the remainder of this week, on account of official business as a member of the Board of Visitors to the Military Academy.

Mr. CHELF, from April 27 to and including May 20, 1960, to serve as a U.S.

delegate to the meeting in Naples, Italy, of the Council of the Intergovernmental Committee for European Migration.

Mr. CLARK (at the request of Mr. CLEM MILLER), for April 27 and 28, on account of death in his family.

Mr. KILDAY (at the request of Mr. IKARD), for today, on account of official business, being in attendance as a member of the Board of Visitors, U.S. Military Academy, West Point, N.Y.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. KASEM, for 1 hour, today.

Mr. PUCINSKI (at the request of Mr. MACHROWICZ), to address the House on Tuesday for 1 hour.

Mr. ANDERSEN of Minnesota, for 1 hour, on Tuesday next.

Mr. THOMPSON of New Jersey (at the request of Mr. ALBERT), for 1 hour, tomorrow.

Mr. CLEM MILLER, for 15 minutes, tomorrow.

Mrs. DWYER (at the request of Mr. GRIFFIN) to address the House tomorrow for 10 minutes following the regular business and other special orders heretofore entered.

#### EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DULSKI.

(At the request of Mr. ALBERT and to include extraneous matter the following:)

Mr. DENT.

Mrs. KELLY.

Mr. HOLLAND.

Mr. POAGE (at the request of Mr. IRWIN) and to include extraneous matter.

(At the request of Mr. GRIFFIN, the following Members to extend their remarks and include extraneous matter in the RECORD:)

Mr. SAYLOR.

Mr. HOEVEN.

Mr. HOSMER.

Mr. BROYHILL.

Mr. VAN ZANDT.

Mr. WEAVER.

#### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1751. An act to place in trust status certain lands on the Wind River Indian Reservation in Wyoming.

#### ADJOURNMENT

Mr. IRWIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 55 minutes p.m.) the House adjourned until tomorrow, Thursday, April 28, 1960, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2094. A letter from the Acting Assistant Secretary of Defense (Supply and Logistics), transmitting reports submitted by the Departments of the Army, Navy, and Air Force for the period July 1 to December 31, 1959, listing contracts (and modifications thereto), negotiated under the authority of sections 2304(a)(11) and 2304(a)(16) of title 10 United States Code, pursuant to title 10 United States Code section 2304(e); to the Committee on Armed Services.

2095. A letter from the Comptroller General of the United States, transmitting a report on a review of the policies and practices of the Department of Labor and the States regarding unemployment compensation payments to retired Federal employees who are receiving retirement annuities; to the Committee on Government Operations.

2096. A letter from the executive secretary, American Chemical Society, transmitting the annual report of the American Chemical Society for the calendar year 1959, pursuant to Public Law 358, 75th Congress; to the Committee on the Judiciary.

2097. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to make American nationals eligible for scholarships and fellowships authorized by the National Science Foundation Act of 1950," to the Committee on Science and Astronautics.

2098. A letter from the Acting Assistant Secretary of Defense (Supply and Logistics), transmitting reports on Army, Navy and Air Force prime contract awards to small and other business firms, pursuant to section 10 (d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BARDEN: Committee on Education and Labor. H.R. 9070. A bill to amend section 8(b)(4) of the National Labor Relations Act, as amended; with amendment (Rept. No. 1556). Referred to the House Calendar.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H.R. 4815. A bill to insure effective regulation of D.C. Transit System, Inc., and fair and equal competition between D.C. Transit System, Inc., and its competitors; without amendment (Rept. No. 1557). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRESTON: Committee of conference. H.R. 10234. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1961, and for other purposes (Rept. No. 1558). Ordered to be printed.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNES of Wisconsin:

H.R. 11930. A bill to extend and expand the conservation reserve under the Soil Bank Act; to the Committee on Agriculture.

By Mr. ABERNETHY (by request):

H.R. 11931. A bill to amend the act of March 3, 1901, with respect to the time within which a caveat to a will must be



filed in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BARING:

H.R. 11932. A bill giving the consent of Congress to a compact between the State of Arizona and the State of Nevada establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. ELLIOTT:

H.R. 11933. A bill to provide increases in compensation for food service workers and laundry workers under the Veterans' Administration; to the Committee on Post Office and Civil Service.

H.R. 11934. A bill to promote greater equity in the administration of the pay systems of employees in the Veterans' Administration under prevailing rate schedules by providing for certain adjustments in the compensation of such employees; to the Committee on Post Office and Civil Service.

By Mr. HALPERN:

H.R. 11935. A bill to authorize the Secretary of Health, Education, and Welfare to make grants to the States to assist in the provision of facilities and services for the day care of children; to the Committee on Education and Labor.

By Mr. HARMON:

H.R. 11936. A bill to stabilize the sales economy of the United States by prohibiting advertising in commerce of any article produced in a foreign country unless the advertisement clearly states the country of origin of such article; to the Committee on Interstate and Foreign Commerce.

By Mr. HESS:

H.R. 11937. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax for certain amounts paid as special tuition assessments to public and private institutions of education; to the Committee on Ways and Means.

By Mr. INOUE:

H.R. 11938. A bill to adjust the retirement benefits of certain retired district judges for the district of Hawaii; to the Committee on the Judiciary.

By Mr. IRWIN:

H.R. 11939. A bill to amend the Tariff Act of 1930 to permit private carriers to transport bonded merchandise under certain conditions; to the Committee on Ways and Means.

By Mr. KASEM:

H.R. 11940. A bill to prohibit certain judicial acts affecting the internal affairs of labor organizations; to the Committee on the Judiciary.

By Mr. LENNON:

H.R. 11941. A bill to amend section 142 of title 28, United States Code, with regard to accommodations at places for holding court, and for other purposes; to the Committee on the Judiciary.

H.R. 11942. A bill to waive section 142, of title 28, United States Code, with respect to the U.S. District Court for the Eastern District of North Carolina holding court at Fayetteville, N.C.; to the Committee on the Judiciary.

By Mr. MASON:

H.R. 11943. A bill to permit limited deduction of contributions to political committees; to the Committee on Ways and Means.

By Mr. CLEM MILLER:

H.R. 11944. A bill to authorize and direct that the national forests be managed under principles of multiple use and to produce a sustained yield of products and services, and for other purposes; to the Committee on Agriculture.

By Mr. MONTROYA:

H.R. 11945. A bill to provide for the conveyance of certain lands of the United States to the Cuba Independent Rural Board of

Education, Cuba, N. Mex.; to the Committee on Interior and Insular Affairs.

By Mrs. PFOST:

H.R. 11946. A bill to amend and extend the provisions of the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. PRICE:

H.R. 11947. A bill to amend section 303 of the Career Compensation Act of 1949 to provide that the Secretaries of the uniformed services shall prescribe a reasonable monetary allowance for transportation of house trailers or mobile dwellings upon permanent change of station of members of the uniformed services; to the Committee on Armed Services.

By Mr. SHIPLEY:

H.R. 11948. A bill to provide post office boxes without charge to certain patrons of post offices without delivery service, and for other purposes; to the Committee on the Judiciary.

By Mr. STRATTON:

H.R. 11949. A bill to permit the interment of the last survivor of the Union Army and the last survivor of the Confederate Army within the Arlington National Cemetery; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Texas:

H.R. 11950. A bill to provide for the transfer of rice acreage history where producer permanently withdraws from the production of rice; to the Committee on Agriculture.

By Mr. THOMPSON of Louisiana:

H.R. 11951. A bill to authorize the navigation project for the Calcasieu River and Pass, La.; to the Committee on Public Works.

By Mr. VINSON:

H.R. 11952. A bill to repeal the act of May 29, 1958, which authorized and directed the Administrator of General Services to provide for the release of restrictions and reservations contained in an instrument conveying certain land by the United States to the State of Wisconsin; to the Committee on Armed Services.

By Mr. WESTLAND:

H.R. 11953. A bill to provide for the assessing of Indian trust lands and restricted fee patent Indian lands within the Lummi Indian diking project on the Lummi Indian Reservation in the State of Washington, through drainage and diking district formed under the laws of the State of Washington; to the Committee on Interior and Insular Affairs.

By Mr. FULTON:

H.R. 11954. A bill to establish a U.S. Travel Commission and a U.S. Office of International Travel; to the Committee on Interstate and Foreign Commerce.

By Mr. LAIRD:

H.R. 11955. A bill to protect the public health by requiring appropriate warning labels on packages of substances intended or suitable for household use, where the substance or the container thereof may cause accidental injury or illness in the absence of proper precautions; to the Committee on Interstate and Foreign Commerce.

By Mr. MULTER:

H.R. 11956. A bill to amend the Social Security Act to permit the use of social security records to aid in locating runaway parents and other persons against whom criminal prosecutions are pending; to the Committee on Ways and Means.

By Mr. RIVERS of Alaska:

H.R. 11957. A bill to facilitate the selection by Alaska, pursuant to the act of July 7, 1958, of certain public lands under outstanding mineral lease or permit; to the Committee on Interior and Insular Affairs.

By Mr. ROOSEVELT (by request):

H.R. 11958. A bill to prohibit certain judicial acts affecting the internal affairs of labor organizations; to the Committee on the Judiciary.

By Mr. WOLF:

H.R. 11959. A bill to amend the Packers and Stockyards Act, 1921, to strengthen independent competition by providing for competitive enterprise in the retail sales of meat, meat food products, livestock products, and other food items; to the Committee on Agriculture.

By Mr. DENT:

H.R. 11960. A bill to prohibit certain judicial acts affecting the internal affairs of labor organizations; to the Committee on the Judiciary.

By Mr. HOLLAND:

H.R. 11961. A bill to prohibit certain judicial acts affecting the internal affairs of labor organizations; to the Committee on the Judiciary.

By Mr. RIVERS of Alaska:

H.R. 11962. A bill to provide compensation to the Yakutat local community of Tlingit Indians of the State of Alaska for the extinction of their original Indian title; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of Wyoming:

H.R. 11963. A bill to authorize and direct the Secretary of the Interior to issue a patent conveying certain lands in the town of Powell, Wyo., together with improvements, to the Shoshone Irrigation District, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. CHURCH:

H.J. Res. 699. Joint resolution to establish a Joint Committee on Mutual Security; to the Committee on Rules.

By Mr. LEVERING:

H.J. Res. 700. Joint resolution establishing a joint committee to investigate the cost of living and the widening spread between retail prices and prices paid to farmers; to the Committee on Rules.

By Mr. FULTON:

H. Res. 511. Resolution creating a select committee to conduct a study of the fiscal organization and procedures of the Congress; to the Committee on Rules.

H. Res. 512. Resolution to amend the Rules of the House to require the yeas and nays in the case of final action on appropriation bills; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII,

Mr. FORAND presented a memorial of the House of Representatives of the Rhode Island General Assembly memorializing the Congress of the United States with respect to providing benefits to the aged, ill, and disabled veterans of World War I in the form of pensions or any other means which provide relief so vitally needed, which was referred to the Committee on Veterans' Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII private bills and resolutions were introduced and severally referred as follows:

By Mr. BERRY:

H.R. 11964. A bill for the relief of Wilhelmina Sophia DeBruyne; to the Committee on the Judiciary.

By Mrs. BLITCH:

H.R. 11965. A bill for the relief of Mrs. Beulah J. Rowe; to the Committee on the Judiciary.

By Mr. BROCK:

H.R. 11966. A bill for the relief of Nellie V. Lohry; to the Committee on the Judiciary.

By Mr. CASEY:

H.R. 11967. A bill for the relief of Mrs. Mabel Constance Kennedy; to the Committee on the Judiciary.

By Mr. COHELAN:

H.R. 11968. A bill for the relief of Chong Son Zee and Ng Lee Gean Zee; to the Committee on the Judiciary.

By Mr. FULTON:

H.R. 11969. A bill for the relief of Ennio O. Cappelli; to the Committee on the Judiciary.

By Mr. HEALEY:

H.R. 11970. A bill for the relief of Ilona Salamon; to the Committee on the Judiciary.

H.R. 11971. A bill for the relief of Agostino Aurilio; to the Committee on the Judiciary.

By Mr. INOUE:

H.R. 11972. A bill for the relief of Mrs. Mine Kitagawa; to the Committee on the Judiciary.

By Mr. MEADER:

H.R. 11973. A bill to grant to Hobart M. Bennett and Stella Bennett all the right, title, and interest of the United States in and to certain minerals; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H.R. 11974. A bill to authorize the Secretary of the Interior to convey certain land in the Big Sandy Rancheria, Calif., and to accept other land in exchange therefor; to the Committee on Interior and Insular Affairs.

By Mr. TEAGUE of California:

H.R. 11975. A bill for the relief of Helga Hirte; to the Committee on the Judiciary.

By Mr. ANFUSO:

H.R. 11976. A bill for the relief of Antonio Ceci; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

442. By the SPEAKER: Petition of G. Davids and two other citizens, Shreveport, La., relative to vigorously protesting House Joint Resolution 558, and Senate Resolution 83; to the Committee on Foreign Affairs.

443. Also, petition of Jesse L. Turner and others, Chattanooga, Tenn., relative to requesting passage of H.R. 8783, which provides health benefits for civil service retirees; to the Committee on Post Office and Civil Service.

## EXTENSIONS OF REMARKS

**"A Milestone Measuring the Betterment of Human Relations," Is Topic of Address by Representative John M. Slack, Jr., at Mayor's Commission Anniversary Dinner, Charleston, W. Va.**

### EXTENSION OF REMARKS

OF

### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, April 27, 1960

Mr. RANDOLPH. Mr. President, one of the most significant events in recent West Virginia history occurred last night in the State's capital city, Charleston, where the first annual dinner meeting of the Mayor's Commission on Human Relations was held.

That important and helpful commission was created by the late Mayor John T. Copenhaver in an executive order signed June 7, 1959. Under this commission the late Mayor Copenhaver envisioned a better city wherein all its citizens might live in harmony and brotherhood, enjoying the fruits of citizenship without regard to race, creed, or national origin.

More than 40 civic, business, and professional and religious organizations are cosponsors of the Commission on Human Relations in Charleston, and its officers and members are L. Leo Kohlbecker, chairman; Dr. James H. Walker, vice chairman; Mrs. Irene May, secretary; John D. Smallridge, treasurer; and Willard Brown, G. E. Ferguson, Mrs. Andrew Gardner, Dewey E. S. Kuhns, William L. Lonesome, Rev. Moses Newsome, Miles C. Stanley, A. S. Thomas, Jr., Rabbi Samuel Volkman, and Houston G. Young, members.

Master of ceremonies for the April 26, 1960, event, held in Charleston's spacious civic center, was Mayor John A. Shanklin, assisted by the chairman of the commission, Mr. Kohlbecker. The invocation was by Rev. F. Elwyn Peace, president of the Charleston Ministerial Association; the prayer of the evening

was by Very Rev. Claude Vogel, O.F.M.; and the benediction was pronounced by Rabbi Samuel Volkman, D.D., of the Virginia Street Temple.

Principal guest speaker for the occasion was the venerable statesman of the sports world, Branch Rickey, president of the Continental Baseball League, while other speakers included Gov. Cecil H. Underwood of West Virginia, Hon. John A. Field, Jr., U.S. district judge for the southern district of West Virginia, and Representative JOHN M. SLACK, Jr., of the Sixth West Virginia District. The senior Senator from West Virginia likewise was privileged to be a guest of the commission and a participant.

Mr. Rickey, the baseball executive who first sponsored a member of the Negro race as a player in organized professional baseball, still aggressive and mentally alert at the advanced age of 79 years, spoke strongly against prejudice and expressed the belief that three major forces are working against it; namely, proximity, as exemplified by Jackie Robinson's short 6 months of proximity as a minor league player before becoming a major league regular; second, individual accomplishments by members of minority groups; and the third, religion.

Governor Underwood expressed the hope that the commission's first annual dinner meeting would be repeated each year as an event to which the people of Charleston, Kanawha County, and West Virginia would look forward with pride and satisfaction.

Judge Field spoke of the paradox inherent in the fact that a meeting is held to discuss the rights of minority groups even though it is so historically well documented that such groups have made great contributions to America.

Mayor Shanklin gave public expression to his appreciation for the accomplishments of the commission and gave assurance that its members have his wholehearted support for the manner in which they have approached the problem of how to engender good human relations.

Representative SLACK, a native of Charleston and the Member of Congress from the district which includes Charleston and Kanawha County, likewise presented enlightened remarks.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD following these remarks the text of the well-considered speech by my capable colleague, Representative SLACK.

There being no objection, the speech was ordered printed in the RECORD, as follows:

### A MILESTONE MEASURING THE BETTERMENT OF HUMAN RELATIONS

(Speech by Hon. JOHN M. SLACK, Jr., a Representative from West Virginia, at first annual dinner meeting of the Mayor's Commission on Human Relations, Charleston, W. Va., April 26, 1960)

This meeting of the Mayor's Commission on Human Relations comes at a critical point in our national history, and the work of this group carries a growing significance. In simple language, what you are trying to do is to establish greater mutual understanding and trust among several population elements of this community \* \* \* to establish it by friendly persuasion and personal example. Very few human undertakings are more important to the fulfillment of our national objectives today.

There are some relationships among human beings which simply cannot be created and maintained by law, or imposed from the top down. They must be initiated and allowed to grow strong and secure from the grassroots up—in all such relationships the key to success lies in work undertaken at the community level.

Most of us, I am sure, are familiar with the phrase "equal justice under law" which is carved in stone over the entrance to the U.S. Supreme Court. That statement constitutes a guarantee of formal, legal justice for all Americans.

### MORE THAN LEGAL JUSTICE

The privilege of full American citizenship, however, contemplates a great deal more than just legal justice. The American ideal, the way of life which has revitalized the thinking of all mankind since 1776, is based on political and social justice. When our Founding Fathers endorsed the famous statement: "We hold these truths to be self-evident \* \* \* that all men are created equal \* \* \* that they are endowed by their Creator with the



right to life, liberty, and the pursuit of happiness" they were not simply striking out at the tyranny of a king. They were sweeping aside in one tremendous statement of belief the 3,000 years of repression and accumulated tyranny which had distorted human relationships throughout the Old World. This was a new world, as Christopher Columbus had told his Queen and they were building on new ground, with a new set of guarantees based on new values for human beings.

As might be expected, there are persons who give only lip service to the American ideal. They stand on the legal guarantee of "equal justice under law," and strike an attitude of tolerance toward those who would translate social and political guarantees into action. I say to you that tolerance is not enough. For example, organized religion is tolerated today in the Soviet Union. Tolerance alone is personified in the sneering answer of Cain to the voice of Almighty God. "Am I my brother's keeper?" asked Cain.

#### WE MUST BE OUR BROTHER'S KEEPERS

The cycle of history in which we move today supplies the answer to Cain. We must indeed be our brother's keepers. If we show no interest in our brother's problems, then there is another philosophy which will gladly take over our function—an alien philosophy, dedicated to suppression of all individual freedom, to atheism, to denial of all human values except those that serve the state. The international competition to convince the uncommitted millions of the world's population grows more fierce every year. We cannot win this competition in the long run unless our service to the full range of the American ideal is wholehearted and complete, and we are unified in our march across the pages of history.

Make no mistake about it the cold war may last a century or more because the price of a hot war is now too high to pay and if it does last a century, the determining factor in the choice of philosophies by hundreds of millions of human beings will not be pronouncements by our State Department or laws passed by the Congress.

It will be the tangible results of work at the community level, whereby it becomes known to all nations that an American of any kind or degree walks proudly down the streets of an American community, and bows to no man.

A few years ago the city of Little Rock became world famous for events which cast a long shadow on the American ideal. One day another American community will become equally famous for its leadership in the realm of finding solutions to human problems that arise among neighbors. It could be the city of Charleston, through the work of this commission. If such recognition should come to pass, I say to you that nothing would give me greater pride in my home city and the people I have known all my life.

A century ago Abraham Lincoln told us that our country was engaged in a struggle to determine whether or not we could survive half slave and half free. Today that struggle has been expanded to a worldwide competition. For we are in a new era of empire building, and we must outclass the Soviet system before the eyes of the entire world, not only in economic efficiency and in the race through outer space, but in the creation of ever newer and stronger guarantees of human equality for our citizens.

#### COMMISSION'S TASK NOT EASY

The members of this commission do not have an easy task, but when you meet difficulties, you may find some comfort in the thought that your obstacles were anticipated almost 200 years ago. Speaking of American liberties, Thomas Jefferson wrote what must

be the most violent statement ever recorded by a famous American.

These are the words of Jefferson:

"What country can preserve its liberties if its rulers are not warned from time to time that this people preserve the spirit of resistance? Let them take arms. The remedy is to set them right as to facts, to pardon and pacify them. What signify a few lives lost in a century or two? The tree of liberty must be refreshed from time to time with the blood of patriots and tyrants."

These were the convictions of a man whose leadership pointed our young country toward realization of what had been only a dream for centuries—government of the people, by the people and for the people. Today we believe it is possible to settle our domestic problems without bloodshed. Yet, we must not forget that tyranny is always waiting offstage in one form or another, waiting its cue to enter and offer its solution to cure injustices.

Only eternal vigilance and fearless leadership can ward off tyranny, whether at the national or local level, and no matter whether the issue be economic, social, or political. The work of this commission, then, contributes to the strength and stature of our community, our State, and our Nation.

I join you with great pride in marking your first anniversary. I extend to you my warmest felicitations, and I look forward to the coming years with full confidence that your efforts will one day be recognized as a milestone measuring the betterment of relationships among all residents of this community, no matter what their race, color, or creed.

I thank you.

### Senator Randolph Delivers Fortright Address at Charleston, W. Va., on First Anniversary of Commission on Human Relations

#### EXTENSION OF REMARKS

OF

### HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Wednesday, April 27, 1960

Mr. JACKSON. Mr. President, a most eloquent and significant address by the distinguished Senator from West Virginia [Mr. RANDOLPH] on the subject of human relations deserves the attention of the entire Senate. The occasion for the remarks of our able colleague was the first annual dinner of the Mayor's Commission on Human Relations, at Charleston, W. Va., April 26.

As Senator RANDOLPH pointed out, the people of Charleston and their political leaders deserve the acclaim of thoughtful citizens everywhere for their endeavor to advance the values of citizenship and to establish a more just and equitable basis for human relations.

The notable event was honored also by the presence of Branch Rickey, president of the new Continental Baseball League, and the man who broke down the racial barriers in the major leagues with the signing of Jackie Robinson for the then Brooklyn Dodgers. Mr. Rickey described Senator RANDOLPH's speech as an appealing and vigorous advocacy of human rights.

Because of its timeliness, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the speech by Senator RANDOLPH.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR JENNINGS RANDOLPH, DEMOCRAT, OF WEST VIRGINIA, AT THE FIRST ANNUAL DINNER MEETING OF THE MAYOR'S COMMISSION ON HUMAN RELATIONS, CHARLESTON CIVIC CENTER, CHARLESTON, W. VA., APRIL 26, 1960

Governor Underwood, Representative Slack, Judge Field, Mayor Shanklin, and our honored guest speaker, Branch Rickey, members of the Mayor's Commission on Human Relations and ladies and gentlemen, I am grateful for the opportunity to join with the citizens and leaders of Charleston in this endeavor to advance the values of citizenship and to establish a more just and equitable basis for human relations.

As you know, during much of the present session of Congress, a number of my colleagues and I have been engaged on another front of this common endeavor, our task being to strengthen the guarantees of certain fundamental rights. I had hoped that we might have done more. These two separate but interdependent aspects—the preservation of civil rights and the betterment of human relations—embody two central questions which our era presents for answer.

The first of these, expressed in part in the term "civil rights," is how to govern in a radically new world in which distance is no longer measured by a man's walking, nor time by a man's sleeping and waking. The other is how to teach men to live in this new world which is rich with novel possibilities of both creation and destruction.

#### BARRIERS OF TIME AND SPACE GONE

The old barriers of time and space have been torn away. The problem is no longer a local, a regional, nor even a national one. Therefore, the work that you have done and are doing in Charleston is a significant part of the larger struggle to give substance to American ideals, and to extend these ideals to the reach of people everywhere. And, just as we have learned that there will be no neutrals in the next war—if there is to be another major conflict—we have learned also that there can be no neutrals in the continuing efforts of citizens to achieve the full humanity of man.

We are often inclined to view the question of human relations in terms of a greater need for mutual respect and the need for tolerance of racial or religious or cultural diversity. But forbearance too often means mere toleration, and at best it is sometimes but a passive and a negative status. Nor does the quality of tolerance solve the moral problem confronting the understanding man when he is faced with riotous intolerance and rampant brutality.

Toleration, I believe, is not enough.

Again, we are often inclined to address the issue of human relations in terms of better group understanding. But the problem of human relations is not that of the relations of men and women as members of a group or a religious belief, but as individuals.

If a man is hurt or wounded, he is pained and he bleeds as an individual human being, not as a member of a group.

The quality of human relations is often no better between members of the same racial, religious, or cultural group than it is between members of different groups, and for the same reason.

#### ISSUES ARE NOT OF COLLECTIVE CONFLICT

Today the issues joined in the advancement of human relations are not those of collective conflict, but of friction between

the fundamental ideas that men have about man. The overall divisions within the world have always been based upon the ideas and ideals for which men will live and die. And the great wars of the civilized world have been fought, first, over the ideas and aspirations of the church and, later, over the ideas and aspirations of the national state.

The challenge of our time is not wholly concerned with our ideas of the church nor of the national state, but about our belief in man. And this is the area where the problems of human rights and human relations are joined—where the arts of government and education are tested, or this is a struggle not only between nations, but within nations, within communities, and often even within the heart of the single individual.

To paraphrase one of America's leading poets, it is necessary to believe in man, not only as the Christians and Jews believe in man—out of love—but also as the Greeks believe in man—out of pride.

#### WHAT MAN IS NOW IMPORTANT

The objective viewpoint is that of believing not only in what man may become in this life or another, but in what he is now; in his fundamental worth and dignity and in the place he occupies in this world.

It is the lack of faith in the essential value of man that corrupts and weakens democracy.

It is doubt in the worth and dignity of man that opens the way to tyranny.

And it is contempt for man that causes subjugation and slavery.

Thus, the question of human relations is not primarily an issue of race relations or group relations, but, rather, is a question of the response we make to the proposition that man, merely because he is the child of our Creator, has a fundamental worth and value. Today this proposition, unfortunately, is questioned or qualified by some in the United States largely in terms of race or in terms of religion.

But this has not always been so. In times past, it was qualified by some in relation to one's national origin—Irish, Italian, Polish, et cetera—or whichever was the most recent immigrant group. Earlier, the qualification had reference to the form of worship which one professed. Roger Williams, history will verify, removed himself to the wilderness of Rhode Island in order freely to assert the fundamental right of every man to his own form of worship.

The history of the American ideal has thus been to advance the fundamental belief that man—as man—is a creature of worth and dignity and that all men—as men—partake of these qualities.

The essential human characteristics which we cherish are in all men and women, and we can no more create an aristocracy of human dignity than we can create an aristocracy of human love or human imagination or any of the other essential human characteristics.

Thus, ladies and gentlemen, the challenge of bettering human relations is one of instilling in our hearts a renewed belief in the humanness of all mankind.

#### Commemorative Postage Stamps

#### EXTENSION OF REMARKS

OF

**HON. THADDEUS J. DULSKI**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. DULSKI. Mr. Speaker, under leave to extend my remarks, I wish to

include an address which I had the pleasure to present on Saturday, April 9, 1960, to the Stamp Society, Adam Plewacki American Legion Post No. 799, Buffalo, N.Y.

The address follows:

Mr. Chairman, distinguished guest, ladies, and gentlemen, first, I should like to say that it is a great privilege and a pleasure for me to be here tonight to take an active part in this great exhibition of philatelic material. I am further honored to be designated an honorary chairman of this event, which is an outstanding civic and community achievement that brings the praise and good wishes of our citizenry to the Plewacki Post for the foresight, planning and the diligent efforts and energy expended to insure the repeated success of this affair.

Since entering Congress, I have become extremely interested in philatelic matters and have diligently labored to obtain for our fair city of Buffalo, the honor of being designated a "first day of issue" city for a commemorative stamp. We had a strong case developed on the Seaway stamp until the State Department got involved in negotiations with Canada, and the visit of the Queen, with the result that Massena, N.Y., stole the designation which I felt was rightfully ours, as the first major U.S. port on the Seaway. Nevertheless, I do not discourage easily, and I have incessantly harried Mr. Rohe Walter, Special Assistant to Postmaster General Summerfield on philatelic matters with Buffalo's case for this honor and have had our plea presented before the Stamp Advisory Council.

At the present time, I have written assurances that every consideration will be given to the designation of Buffalo as a first day site for a stamp in the near future. The Post Office Department is very much aware of the fact that too many stamps are placed on first day sale in Washington, D.C., and it is their sincere desire to spread these first day cover designations to encompass all of the States in accordance with the belief that our postage stamps represent and belong to the Nation. From a philatelic viewpoint, Buffalo has a strong case. Our city has not been honored by a first day of issue designation in over a quarter of a century and the only first day issues ever to emanate from this city were shared with a half dozen other cities back in the early 1930's when covers had not reached the proportion of today's importance in the philatelic hobby.

We have in our city many fine active philatelic organizations that have indicated to me their strong support for such a designation for Buffalo, and this nucleus, combined with a strong civic and community effort, would make any such designation a noteworthy event.

I have held a series of conferences with the Post Office Department in Washington and they assure me that the Post Office recognizes that Buffalo—through circumstances of historical association—has not been honored by a first day sale in approximately a quarter of a century. They further agree with me that Buffalo, in addition to its importance as a city, is noted for its strong philatelic connotations. I can assure you here tonight, that these conferences shall continue without fail until such time as we shall be able to see the postmark of our fair city impressed upon a cachet envelope on the first day of issue of a new stamp emission.

It is significant to note that this fourth annual Plewacki Stamp Show is honoring and paying tribute to Ignace J. Paderewski. It was only this week that I had the opportunity to pay my respects at the grave of Poland's famous musical artist, statesman, soldier, and freedom fighter. It may interest some to know that he is buried in Arlington National Cemetery by special authorization of President Franklin D. Roosevelt. While

standing at his final resting place, I paused to reflect and pay my own personal tribute to the life and deeds of this great and wonderful man who made such generous contributions to his beloved homeland, Poland, and of his contributions to the world in the fields of music, politics, and as an unceasing fighter for freedom in war and in peace.

In keeping with the spirit of Plewacki Post in honoring Paderewski by this fine exhibition, I have added my voice to the nationwide demand that he be honored in the special champion of liberty series as a man who ranks high in the esteem of his countrymen and freedom-loving people throughout the world.

The Post Office Department has evidently heeded this mounting crescendo of voices asking for this honor, and it is now an open secret that on November 6, 1960, Ignace Paderewski will be honored by a 4-cent and 8-cent commemorative issue in the champion of liberty series.

This stamp will not only pay just tribute to a great man, but will also pay homage to the many sons of of Poland who keep alive the fires of liberty in their own subjugated land.

To return to the subject of philately or its more common name of stamp collecting, although not a collector myself due to time limitations, I have learned a lot about your hobby and met many, many interesting people who are in it. Our Post Office issues 24 billion stamps each year, and it seems that a good number of you are dedicated to the acquisition of the entire 24 billion for your own personal collections, leaving none of the general public who may want to mail a letter or two. In my indoctrination into philately, I have visited the Philatelic Agency in Washington with its very fine exhibits and also the Smithsonian Institution, which has a stamp collection that would make any collector green with envy. I have cooperated with the many persons connected with this fine hobby and shall continue to make available the complete services of my office for the advancement of this hobby, with its accompanying educational values and expansion of knowledge of our national heritage as expressed on our postage stamps.

#### Distinguished Service Award to Hon.

**A. L. Miller**

#### EXTENSION OF REMARKS

OF

**HON. PHIL WEAVER**

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. WEAVER. Mr. Speaker, with real personal pleasure I am happy to report to my colleagues that the Department of the Interior has just recently given splendid and richly deserved recognition of a long and outstanding career of public service compiled by a former Member of the House of Representatives.

For 16 years Dr. A. L. Miller ably represented the Fourth Congressional District of my home State of Nebraska. He is now serving with distinction in a difficult and challenging assignment as Director of the Office of Saline Water. In well-deserved recognition of his leadership, example, and administrative accomplishments to successfully expedite and accelerate this vital program, he has received Interior's highest honor, its Distinguished Service Award.



I know that all the Members of the House of Representatives, his many friends and acquaintances, join with me in congratulating Dr. Miller.

Under unanimous consent I include in the RECORD the citation which accompanied the award:

THE SECRETARY OF THE INTERIOR,  
Washington.

CITATION FOR DISTINGUISHED SERVICE—  
ARTHUR L. MILLER

In recognition of more than 20 years of public service, and for outstanding administrative accomplishments as Director of the Office of Saline Water, Department of the Interior.

Dr. Miller was appointed Director of the Office of Saline Water in February 1959. In this position he is directing, under the supervision of the Secretary, a vitally important research and demonstration plant program for the development of low-cost processes for converting saline water, both sea and brackish, to fresh water. Through his leadership he provided the program with a new sense of purpose and direction, accelerated the pace of research and development, instilled enthusiasm among the staff, obtained the cooperation of public and private organizations, and created an improved understanding and appreciation for the program objectives in the public mind. Dr. Miller streamlined the administrative procedures for the program and effected a reorganization of the Office to carry on the basic research program and meet the demands of the recently enacted demonstration plant phase of operations. On the basis of his recommendation, the selection of processes for saline water conversion demonstration plants was completed by the Secretary ahead of a severe schedule set forth by the Congress in the authorizing legislation. Site selections have also been accelerated under conditions of utmost priority and widespread competition among the States and communities. Dr. Miller was instrumental in obtaining cooperative agreements with several States and concluded an agreement with the Atomic Energy Commission for a joint nuclear reactor-saline water conversion project. Prior to his appointment as Director, he served with the Nebraska Unicameral Legislature, and as the Nebraska State health director. On November 3, 1942, Dr. Miller was elected to the 78th Congress of the United States and was reelected for seven additional terms. He served on the Public Lands Committee and the Interior and Insular Affairs Committee of the House. In recognition of his splendid contributions to the Office of Saline Water and to the Department of the Interior through his leadership, example, and enthusiasm, Dr. Miller is granted the highest honor of the Department of the Interior, its Distinguished Service Award.

FRED A. SEATON,  
Secretary of the Interior.

### The Needs of the Elderly

#### EXTENSION OF REMARKS OF

HON. THOMAS C. HENNINGS, JR.  
OF MISSOURI

IN THE SENATE OF THE UNITED STATES  
Wednesday, April 27, 1960

Mr. HENNINGS. Mr. President, how to assist our elderly in meeting their often times high medical expenses is a vexing problem of long standing. It is a problem which must be faced.

I have not at this time taken an inflexible position on any one particular plan. The appropriate congressional committees are thoroughly studying the various proposals and I am sure a constructive program will be presented.

Recently I sent a press report to the newspapers of my State commenting on many of the proposals before Congress directed toward aiding the elderly. The Charleston (Mo.) Enterprise-Courier printed an editorial challenging the validity of cost estimates for the Forand bill. I replied to the editorial and the editor of the Enterprise-Courier, Art Wallhausen, then wrote and printed a letter in reply to mine. I ask unanimous consent that the appropriate portion of my press report, the editorial "We Challenge a Senator," my letter to the editor and his letter in response be printed in the CONGRESSIONAL RECORD so they will be available to other Members of Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

#### THE NEEDS OF THE ELDERLY

(By Senator THOMAS C. HENNINGS, JR.)

Americans are living longer and, as each year is added to the average American lifespan, the special problems of the elderly become of more concern to the entire Nation. To solve some of these problems, Congress this year is expected to make important changes in laws which apply to those older citizens who draw pensions or receive other forms of public assistance.

Medical expenses for persons drawing social security benefits would be paid in part under one plan being considered by Congress. This limited health insurance plan could be financed by an increase of only one-half of 1 percent in the current Federal payroll tax.

Removal of the age limit at which a person may be pensioned as totally and permanently disabled is also being considered. At the present time, a person must be at least 50 years old before receiving disability payments. Congress is expected to vote to remove this age restriction. If so, some 225,000 persons will benefit.

Congress is also expected to raise the minimum pension for persons drawing social security benefits. Now fixed at \$33 a month, the minimum social security figure will probably be raised to about \$40.

Another plan under consideration would require Federal standards for nursing homes serving the elderly. Grants-in-aid would be available to nursing homes which met these proposed standards. Another proposal would increase Federal support for housing the aged. An increase of 10,000 units a year has been suggested in public housing measures for the older person. It has also been suggested that nonprofit organizations be provided with loans for building low-cost homes for the aged. Still another suggestion calls for the creation of a U.S. Office of the Aging.

A number of pending bills would raise the ceiling on how much outside income a recipient of social security could earn. Rising living costs have been most burdensome on the elderly, and the \$1,200 ceiling on earnings prevents many pensioners from working as much as they are able.

Support for revision of laws dealing with or affecting the Nation's elderly is bipartisan. Only the scope of the various programs is questioned. The aged may be sure the Congress will make every attempt to solve their particular problems.

[From the Charleston Enterprise-Courier,  
Feb. 25, 1960]

#### WE CHALLENGE A SENATOR

The current press report from Senator THOMAS C. HENNINGS, JR., outlines several plans being considered by Congress to again liberalize social security coverage.

One of these foot-in-the-door plans to finance health insurance could be financed by an increase of only one-half of 1 percent in the current Federal payroll tax.

We doubt very much whether the Honorable Mr. HENNINGS has bothered to investigate the cost of a medical-aid program for the elderly and needy. We also doubt very much whether the flat statement regarding financing the program with a tax of one-half of 1 percent can be backed up by figures based on life insurance statistics. It looks and sounds more like another sop concocted during a hectic political year to attract and hold votes.

A half dozen nations with similar plans wish to high heaven that they could rid themselves of this or similar aid plans. But the good old U.S.A. insists in experimenting—especially during a political year when the scramble for votes transcends common sense. We defy Senator HENNINGS or anyone else to come up with facts which will support the claim that this program can be financed with a levy of one-half of 1 percent.

SENATOR HENNINGS SAYS ONE-HALF OF 1  
PERCENT WILL CARRY MEDICAL PROGRAM  
MARCH 17, 1960.

Mr. ART L. WALLHAUSEN,  
Charleston Enterprise-Courier  
Charleston, Mo.

DEAR ART: The following comments are with reference to your editorial of February 25, in which you question whether the costs of medical insurance for the aged can be provided at the price estimated by sponsors of legislation to establish such a program. Let me say at the outset that congressional study of such legislation is still in the preliminary stages, although there is a wide recognition of the need of the aged for some kind of assistance with their heavy medical expenses.

You will recall that in my press report on this subject, I reported that the costs of certain limited health insurance for the aged could be financed by an increase of one-half of 1 percent of the social security payroll tax. This is the estimate of sponsors of the Forand bill, H.R. 4700, which would provide limited hospital, nursing home, and surgical benefits for recipients of social security payments. You are quite right in pointing out that the cost estimates for such a program, which involve guesses as to the future wage levels, size of the labor force, medical prices, and utilization of medical care, are controversial. The most accurate prediction would be for the immediate year ahead. In response to a congressional request for a study by the Department of Health, Education, and Welfare of the feasibility of hospitalization insurance for social security beneficiaries, HEW Secretary Flemming estimated that the cost of the Forand bill in 1960 would be approximately one-half of 1 percent of the taxable payroll.

In hearing last July before the House Ways and Means Committee, the following exchange is recorded:

Mr. FORAND. Now, Mr. Secretary, do the actuaries' estimates give any justification for claims that the cost would be \$2 billion to the program the first year?

Mr. FLEMMING. The answer to that is "No." Our actuaries' estimates, as far as the first year costs are concerned, were \$1,120 million (or 0.53 percent of taxable payroll).

However, Mr. Flemming estimated that over the period from 1960 to 2050, a higher

average tax would be required: approximately four-fifths of 1 percent. Needless to say, it is important that the cost estimates be as accurate as possible, and you may be sure I shall give this question careful attention if legislation such as the Forand bill is passed by the House and forwarded to the Senate.

In the meantime, variations of the Forand bill and alternative proposals to strengthen private health insurance or State programs are being studied in the Senate. I trust you feel free to give your views on these bills as congressional consideration of them continues.

With best wishes, I am,

Sincerely yours,

THOMAS C. HENNINGS, Jr.

WE REPLY TO SENATOR HENNINGS  
Senator THOMAS C. HENNINGS, Jr.  
Senate Office Building,  
Washington, D.C.

DEAR TOM: Some genius several years ago (under Roosevelt) struck oil, rich oil, when he dreamed up the checkoff system of collecting taxes on payrolls.

Since that time you and all the other so-called leaders in Congress have been working overtime trying to dream up additional taxes (deductions from employers).

The Forand bill seeking medical aid for the aged is just another example.

The tax, you say, will be only one-half of 1 percent, but you must remember that this one-half of 1 percent is in addition to the 6 percent already being collected for social security, and the 2.7 percent already being collected for unemployment compensation, and the 1 to 11 percent being collected to defray the cost of workman's compensation insurance. My God man, do you really believe that this can go on and on, or is this part of a vicious scheme to drive more and more of small guys to the wall?

You might also recall that our sales tax in Missouri began as a very low one-half of 1 percent tax. Then the rate was doubled, and doubled again. It is now 2 percent—and each legislature toys with the idea of upping the rate.

The income tax (you've probably heard of it) also started out as a very low tax. In fact, it was considered a joke for many years—the rates were so low. Now my taxes start at 52 percent, and they can go to 91 percent.

England, Sweden, and several other countries have tried medical aid plans very similar to those embodied in the Forand bill—and the results have been disastrous to the national economy.

However, it is a safe assumption that Members of Congress, including yourself, do not have time to read current history. Congressmen are so all-fired busy dreaming up more vote-getting schemes that time simply does not permit boning up on history—or current events.

TOM, for goodness sake, keep at least one foot on the ground. We in business can't make it as fast as you boys are spending it, and we do not have the borrowing capacity of the Federal Treasury. We, unfortunately are required to pay our bills out of income.

Granted that some old folks do need help. In our small county of Mississippi, the welfare people are currently spending \$1,800,000 per year to help old folks and others. But please also grant the fact taxpayers are also in need of some help—help and relief from any additional socialistic schemes which have discouraged initiative, and stunted expansion or new ventures. My payroll simply can't stand any more taxes, and I can cite 50 or more of my friends who are looking for a way out. They are sick to the death of congressional meddling. Most of them would gladly settle for a Mom 'n Pop road-

side stand with no payroll worries, and no additional taxes.

So you believe HEW Secretary, Mr. Flemming? And who is Mr. Flemming? Is he an authority in the field of socialized medicine? Is he a recognized authority in the legitimate insurance field? On what does he base his "guesstimate"? On facts or on some figure plucked out of dry air?

The key to Mr. Flemming's testimony last July before the House Ways and Means Committee is one word. That word is "estimates." His actuaries "estimate" the cost for the first year will be 0.53 percent of taxable payroll.

Senator TOM you will have to excuse my old-fashioned, idiotic thinking, colored and prejudiced no doubt by the fact that I have spent the past 30 years in the game of balancing income against expenditures. My thinking has no doubt been influenced by such mundane things as customers and customer reaction to higher prices—prices raised to take care of higher payrolls, higher operating costs, increased taxes, and the like. Such things as buyer resistance to higher prices. They buy less, and that means that there is less money in the till come night-fall with which to pay wages, operating costs, and taxes.

In other words Senator TOM, I admit to being a blithering idiot who never expects to reach the ethereal plane of your inspired thinking or that of your advisers.

However there are other idiots like myself who find it very difficult to agree with Mr. Flemming and his cost estimate of one-half of 1 percent.

You take the old-fashioned idiots who are known as the Insurance Institute which has been in business as many years as Mr. Flemming is old. They insist that legitimate insurance administrative costs alone for similar medical-hospital programs average 3½ percent.

Another old line insurance firm spends 1.9 percent on administrative expenses in the field of hospitalization alone.

You take the unemployment compensation figures which certainly are available to Mr. Flemming and to yourself. Uncle Sam collects three-tenths of 1 percent for administrative costs in that very limited field.

No unemployment claims are paid out of the three-tenths of 1 percent, and yet Mr. Flemming insists that his medical aid program for the needy aged can be administered, and pay all costs out of the remaining two-tenths of 1 percent.

Only a man with the vast knowledge of a U.S. Senator could even hope to break even in that situation. Ordinary folks like myself and several million other employers know from experience that it simply will not work.

No, Senator TOM, one-half of 1 percent is merely an opener, a wedge or foot in the door. Actuarial figures which are available both to you and to Mr. Flemming, place the cost nearer 4 to 5 percent of the taxable payroll than one-half of 1 percent, or four-fifths of 1 percent.

This much is true, and in that Mr. Flemming is correct. One could start the program on a tax of one-half of 1 percent, but the program would grow and grow and grow as additional Congresses seek to garner more and more votes in the field of the needy aged.

Within a few years the rate would necessarily rise to 4 or 5 percent, rather than one-half of 1 percent to carry the vast army of freeloaders who have learned how to milk the ADC and other welfare programs.

TOM, the time has come for some of you leaders in Congress to begin to start to use your God-given common sense.

Up to now you have not exhibited even symptoms of ordinary intelligence or horse-sense.

I also dare you to print this reply to your letter in the CONGRESSIONAL RECORD, or to let other members of your committee read it.

Nice hearing from you.

ART L. WALLHAUSEN.

## Financing Health Care

### EXTENSION OF REMARKS OF

HON. PAT McNAMARA

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

Wednesday, April 27, 1960

Mr. McNAMARA. Mr. President, during recent hearings by the Subcommittee on Problems of the Aged and Aging—on the subject of financing health care—we received many excellent statements.

Most of them added more documentation—to the inescapable conclusion—that there must be a system of national health insurance for our elderly citizens.

Among those who testified was one whose name has become almost a watchword in the field of health insurance.

I refer, of course, to the Honorable AIME J. FORAND, Representative from Rhode Island.

Representative FORAND is the author of H.R. 4700—which is more popularly known as the Forand bill—and about which I have received several thousand letters in the past few months.

I am sure that, despite the opposition of the administration and others, we will enact into law in this country a program of health insurance for the elderly—and that it will be based on the social security system.

But whatever form the final law takes we will all owe a debt of gratitude to Representative FORAND for the work he has done in this area.

I ask unanimous consent that the testimony given by Representative FORAND before the Subcommittee on Problems of the Aged and Aging be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

Senator McNAMARA. We hate to have Congressman FORAND with us and not give him a chance to say a few words for the record and maybe clear up some of the misunderstandings about his legislation.

Congressman FORAND, do you want to talk from here or would you prefer to sit at the witness table?

Mr. FORAND. I will go right down there and face you, Senator.

Senator McNAMARA. All right, fine.

If there is an expert in this area, it is you. We know of your study and are certainly very happy to have your comments for the record. Go right ahead.

STATEMENT OF THE HONORABLE AIME J. FORAND, U.S. REPRESENTATIVE FROM THE STATE OF RHODE ISLAND

Mr. FORAND. Mr. Chairman and Senator, I am one of those who is not a newcomer to the problem of the aged and I think, for the record, I should say that I have been interested in this problem of the aged since I first went to my State legislature which was in 1923 at the time that the Fraternal Order of Eagles started their movement for old-age pensions, and I have been interested in



it ever since. I am one of the few Members of this Congress that have had experience doing welfare work where again the problem of the aged was brought very, very vividly to my attention, during the almost 2 years that I spent as chief of the Division of Soldiers Relief in the State of Rhode Island and commandant of the Rhode Island Soldiers Home.

Now, I had not expected to take the stand this morning but I read this morning's papers and also I have heard the statements made here today and I think there are a few points that should be cleared up for the record.

First of all, I would like to impress upon all the news media, the newspapers, radio and television, that when they say the program I propose would be Government paid, they are all wrong. It would be paid by those who eventually would be the beneficiaries with the exception of that small group that would be picked up upon inauguration of the program, because what I propose is a self-sustaining program the same as the rest of our social security setup and, while the funds would be handled by the Federal Government just as other social security funds are handled, the money would come from the beneficiaries, the workers and employees and not out of the general fund of the Treasury.

When I introduced my bill in 1957, I made the statement which I have repeated several times since then, that I was not wedded to the language of my bill.

I was offering it as a basis from which to work because I was sick and tired of hearing a lot of words and finding that no action was taken to solve a most pressing problem.

I do not intend to go into the details of the plan. I think it has been explained time and time again and in order to conserve the time of the subcommittee, I shall gloss that over for the moment.

One thing that seems to have escaped the people in view of the fact that we talk about some 12 or 13 million beneficiaries who would immediately receive benefits under my plan is the fact that, while this would take up this group, it is providing an opportunity for the younger people who are working, to be able to take care of paid-up insurance so that when they reach retirement age, they will be the beneficiaries of the system. Not only would it be of great help to these individuals now, particularly those who have aged parents, but the younger fellow, 25 or 35 or 45. The young married man does not know when he is going to leave this world. He does not know how many children besides his widow he will leave behind him. These are people who would benefit as a result of this. He would be providing, through the payment of this insurance, for the care of these others who he would leave behind.

Much has been said about how much this would cost to the individual particularly. So much money would be taken out of his pay envelope.

Well, the truth of the matter is when you figure at the highest possible figure which is a wage base of \$4,800 now, it would take only 25 cents a week, the price of a pack of cigarettes. How many people are drawing \$4,800 a year in wages? A great many, but not all by a long shot. You know, and I know that there are many who are in the \$2,000 and \$3,000 bracket. Those individuals who have an income of \$2,400 would only pay about 12 or 13 cents a week, and where could they buy this type of coverage at that price?

The commercial insurance people, of course, are opposed to my bill. But I think they are blind. I think they fail to see the point. And, as Senator HUMPHREY said a few moments ago, if this bill went into effect, it would permit these private insurance companies to cut their premiums and increase

their coverage because they could eliminate the high risk, those people 65 or over.

They are missing the boat now just as they thought when they were fighting the original social security bill.

Now, the doctors are all opposed to it—I should not say "all"—let me correct that, because I have so many letters in my office from individual doctors to the contrary—many, many doctors have written to me that they are members of the AMA but the AMA is not speaking for them in this matter. But the AMA, which is supposed to represent the doctors, says that the hospitals will be overcrowded if this bill should become law.

Well, Mr. Chairman, I say to you that if the hospitals are to be overcrowded as a result of this, there are two reasons for it: One is the great need now existing for hospitalization and medical care of many of these aged people. The other is that the doctors would not be doing their job because under the provisions of the Forand bill, H.R. 4700, no one can get into the hospital unless a doctor says so. The doctor has to make all arrangements for him. He cannot stay in the hospital any longer than the doctor says he can stay there. So, that is all window-dressing.

Although the administration has not come up with any program as yet, they have done a lot of stalling over these many months. The truth of the matter is that they have been toying with several plans and according to the newspapers and according to Mr. Flemming, the Secretary of HEW, when he was before the Ways and Means Committee, their plan has to do with State and Federal cooperation in actually subsidizing the insurance companies.

That would mean about \$400 million out of the Federal fund, out of the general fund each year, rather than from contributions made to the social security fund by those who would benefit.

Further, let us keep in mind, and I believe practically every Member of Congress has a good knowledge of the legislatures of the several States, how long would it take before these several States could work up a program to join this Federal program?

Why, it would take years. In fact, Mr. Chairman, it may interest you and the other members of this committee to know that only last week in the Ways and Means Committee of the House when we were considering public assistance, the question of medical aid to those on public assistance came up.

We tried to check. You will recall, I think it was in 1958, that Congress voted to make an allowance of, I believe it was \$5 or \$6 per claimant or per client under the public welfare for medical assistance.

To this day there are still 15 States that do not have a medical program under public assistance. Yet they are drawing the money from the Federal Government and we do not know how they are using it.

Now the administration has been talking about studies. They have made so many studies that they meet themselves going back. They have not come up with any program. They do not have one. And I repeat what I have said before: If my plan is not the best plan to take care of this situation, let someone come up with an alternative that is better and if they have it, I will accept it.

Now, the doctors talk about socialized medicine. This would not be any more socialized medicine than the payments already being made under social security. The truth of the matter is that this would operate on the same basis with the Government paying the bill as Blue Shield operates today. The Blue Shield is a doctors' organization. They are the ones who control. They are the ones who set the fees. They are the ones who agree to accept as total payment for a bill the amounts specified in

their schedules providing the income of the individual is below a certain level.

This would operate in the same way. Sometimes I feel rather sick at heart to realize how some of these doctors feel and seem to be closing their eyes to the medical needs of the people and just thinking of their pocketbooks. I have one in my own entourage of relatives who had to scrape to go through medical school. Like all other doctors, he got the benefit of the public schools being paid for out of tax money. In addition to that, some employers, God bless them, were kind enough to provide him with employment at perhaps much more than he deserved as far as the wages were concerned, because they knew he wanted to study medicine.

And today, less than 10 years after he has graduated, he owns his own home. He owns a house where he has his office. He has three cars in his family and he is one of those who is out fighting against the Forand bill.

He has forgotten that his own father could not afford to put him through school. His father was working in a cotton mill for low wages. His mother was working in a hospital as a scrub woman, but he has forgotten all that and I say to you, that he is one that represents the thinking of many of our doctors today, unfortunately.

The doctors in their paper, the AMA News, a few weeks ago had an editorial urging their State medical groups to publicize the fact that no one who needs medical attention need go without it because he is without funds. Well, it happened that either on the same day or within a week of the time that editorial appeared in that paper, I received a letter from an aged couple out in the Middle West. The man is 78. The woman is 72. The man cannot work at his age, is rather feeble. His wife was taken to a hospital. The doctors said there was no hope for her. There was no need of keeping her there. He took her home and he is taking care of her. Their income is \$98 a month under the social security system. Yet, with his letter, he enclosed two letters from collection agencies, dunning him for the payment of \$15 due to a hospital and \$40 owed to a hospital.

So, I say to you, Mr. Chairman, no matter what the doctors tell me, I prefer the evidence, the concrete evidence I have in my office. And, if you were to come into my office, I could show you a stack about a foot high of letters containing hospital bills and medical bills that have been paid by the individuals.

Only yesterday, I received a letter from a lady in my own district. She is 78 years of age and has been unable to work for a long time. She had a little home of her own, five room house. She has had to borrow money on that home in order to be able to pay her medical expenses. And she sent me a list of the medical expenses she had been paying—and the medicines she had been buying in the drugstores at these exorbitant prices they are charging for drugs today and told me her home had been taken away from her. All she has left in this world is \$100. She had to give up her insurance policies. She is now going on public relief and says she is praying that something along the lines of my bill would pass so it might be of some help to her, but if not for her, because she does not expect to be in this world for long, then for others who find themselves in the same predicament.

Mr. Chairman, I have taken much more time than I should. I hope I have cleared up a few points of misunderstanding. Thank you very much.

Senator McNAMARA. We are happy to have you here, Congressman.

I think you have perhaps presented us with one of the finest statements we have heard so far in favor of doing something

about this very serious problem we are all facing. You did not take too much time. I am sure we can listen to you all day in what you say on this subject.

Mr. FORAND. You are very kind, Senator. That is something I feel down here, in my heart.

Senator McNAMARA. I am sure of that.

Mr. FORAND. There is so much to be done in this field. We have got to get going. Stop talking and start acting.

Senator McNAMARA. Senator, do you have any comment or question of the Congressman?

Senator BRUNSDALE. I think we owe a debt of gratitude to Congressman FORAND for coming over here and talking to us. Thank you.

Mr. FORAND. Thank you very much. If I may be excused, I will go back to my own business.

Senator McNAMARA. Surely. Thank you again.

## Let's Pay the Postman and Civil Servants,

Too

### EXTENSION OF REMARKS

OF

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. HOSMER. Mr. Speaker, almost every year Congress is called upon to deal with the problem of postal and civil service workers' salaries lagging behind the cost of living and creating substantial hardships. A great furor arises, much time is consumed and trouble created for Congress and Government employees alike. Eventually some "better late than never" pay scale revisions are made which like as not are behind the times before they are written into law.

Just last week administration spokesmen opposed the passage of pay raise legislation this year in testimony before the House Post Office and Civil Service Committee. A study is being made, they said, which will not be completed before September, and thus the whole matter should go over until next year. I do not agree with this argument for the reason that there is an apparent need now for upward revisions in these pay scales. What the study will show, undoubtedly, are many discrepancies between pay scales for various Federal employment which should be adjusted and equalized. This can be done as well after current legislation is enacted as before. Savings clauses could be written into present bills to obviate this kind of problem.

While discussing this subject it is well to point out that obvious inadequacies in our present procedures for handling Federal salary scales are responsible for the never-ending inequities which consume the time of Congress and everyone else concerned in dealing with them. These can and should be overcome by appropriate administration recommendations followed up by prompt congressional action. Present procedures for adjustment of pay rates of so-called "blue-collar" Government workers point the way. These are Federal employees such as carpenters, machinists, and oth-

er craftsmen whose hourly wages are tied to the comparable wages of their counterparts engaged in similar civilian employment in the same area.

At intervals area wage boards determine prevailing rates of pay in a geographical area and Government pay rates are adjusted accordingly. No lobbying is involved; Congress does not have to pass a law; substantial justice is afforded with regard to pay scales promptly and fairly.

There is no good reason why a similar system, with all its attendant advantages, could not or should not be worked out for postal workers and almost all civil service workers.

One factor that so far has blocked this kind of legislation appears to be the negative attitude of various national associations of Government and postal employees. They argue that such a system might result in lower size pay checks for their members in some small city, for instance, as compared to a member doing the same job in a metropolitan area. They say it is not fair. They demand that all be paid the same.

But should they? Or more properly, in fact, are they? The pay check of a man in the small town where living costs are low represents much more actual, real pay than a pay check for the same amount handed to a man who lives in the high-cost-of-living metropolitan area. I think the unfairness of that proposition and the unsoundness of the position of these national organizations is quite apparent. I think the wisdom and fairness of tying flexible wage rates to prevailing conditions in an area of the country is certified by the fact that it is now done both in private industry and for Government blue-collar workers.

Let us do with the postal workers and the civil service workers what sound principles and common sense indicate we should do. Let us modernize our Federal pay procedures to meet the needs of the times and of the places where our public servants work.

On the subject of current pay bills, the Long Beach Independent-Press Telegram recently carried the following approving editorial:

[From the Long Beach Independent-Press Telegram, Apr. 21, 1960]

#### LET'S PAY THE POSTMAN

With airmail zooming from coast to coast in 4½ hours and with facsimile transmission in the offing, the U.S. Post Office is keeping pace physically with the jet age. Sadly, it still pays its employees a horse-and-buggy wage.

In 11 years postal workers have received four pay raises totaling 52½ cents an hour. A Long Beach postal clerk in the top pay grade with 10 years experience takes home \$159.16 to his wife and two children. Every 2 weeks, that is.

Pay for postal workers ranges from \$2 to \$2.42 per hour. Figure that up at 40 hours a week. While most of the rest of the economy has been rising on a spiral of wage and price hikes, the postal workers have been practically standing still.

We have supported the postal workers' fruitless efforts in recent years to get a decent pay raise. And we support the current congressional move to give post-office employees a 10-percent pay increase.

Every time a postal pay proposal comes up in Congress, the argument is heard that

pay shouldn't be increased unless there is also a substantial increase in revenues.

Although we agree that the Post Office should be put on a sound financial footing, we consider it unfair to tie a Government employee's pay to the price of postage stamps just because he happens to work in the post office.

These workers are getting starvation wages. Congress should give them a solid increase, and the President should sign it into law.

## Truth About Farm Income

### EXTENSION OF REMARKS

OF

## HON. CHARLES B. HOEVEN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. HOEVEN. Mr. Speaker, the farm income picture gets twisted around once in awhile, especially when statistics are not handled correctly and accurately.

We have all heard the statement that statistics can be used to prove almost anything, but frankly, I was very much surprised when I read a full-page advertisement appearing in the Wall Street Journal on April 22, 1960, regarding farm income. This advertisement made several statements which I feel do not accurately reflect the current farm income picture.

First of all, the headline on the advertisement was "In 1959 Average U.S. Family Income, \$6,470; Average U.S. Farm Family Income, \$9,978." The point that immediately struck me was the figure of \$9,978 which was alleged to be the U.S. farm family income. In the accompanying tables, though, this income was described as gross farm income. Needless to say, gross farm income is not the most important of the various measuring sticks of income. When all is said and done a farmer, like any businessman, is concerned with net income, the final result of his gross income minus his many production expenses.

I probably would not have quarreled with the advertisement if at least the gross income figures quoted were accurate. They were not. The accompanying chart used in the advertisement, indicated that 1959 gross farm income was \$46.3 billion. The latest figures that I have been able to obtain from the Department of Agriculture show that 1959 realized gross farm income was \$37 billion, over \$9 billion less than that indicated by the advertisement. The Department of Agriculture's calculation of gross farm income includes cash income from marketings, Government payments, value of home consumption, and rental value of dwellings.

What is really the most objectionable and misleading aspect of this entire advertisement, Mr. Speaker, is the impression it gives of farmers never having it so good. This is just not true. We who are close to agriculture know that the farmer is facing many economic difficulties and we are trying to do something about them. This type of misleading material does not help.



In order to keep the record absolutely straight, I would like to cite an excerpt from the latest "Farm Income Situation" published by the Department of Agriculture on April 25, 1960.

On 1960 farm income the Department says this:

Developments since last fall have enhanced farmers' income prospects in 1960. The index of prices received by farmers has risen 5 percent since mid-December—mainly because of higher prices for hogs, cattle, chickens, and eggs—and is now only slightly below a year ago. Prices of farm products during the remaining months of 1960 are likely to average about the same as, or even slightly higher than, the corresponding months of 1959. Consequently, if growing conditions this year are about average, cash receipts from a continued heavy volume of farm marketings may equal those of 1959. Some further increase in farm production expenses seems likely, however, so realized net income of farm operators from farming may fall slightly short of the \$11 billion realized last year.

The "Farm Income Situation" also lists average net income of farm operators per farm in 1959 at \$2,547. This figure is much closer to the truth of farm income than is the \$9,978 figure cited by the advertisement, and remember, the farmer must still pay for all his living expenses and capital improvements out of this income.

In conclusion, Mr. Speaker, let me say that it is my sincere hope that we can soon get at the job of doing something constructive about this farm income situation—and by that I mean, first, getting straight what the real situation is, and second, approaching the problem in a forthright and honest manner.

### The Student Loyalty Oath

#### EXTENSION OF REMARKS

OF

HON. JOHN F. KENNEDY

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Wednesday, April 27, 1960

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a most thoughtful and well-reasoned article by our colleague, the Senator from Minnesota [Mr. McCARTHY]. In this article the Senator from Minnesota analyzes with both historical and philosophical understanding the case against the inclusion of special loyalty oaths in educational legislation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

#### A QUESTIONABLE TREND—THE STUDENT LOYALTY OATH

(By EUGENE J. MCCARTHY)

The National Defense Education Act of 1958 requires a loyalty oath from those who apply for loans and an affidavit disclaiming belief in any organization which advocates overthrowing the Government by unconstitutional means, or their support of any such organization. A proposal to modify the loyalty oath provision of the act is again moving through the committees of Congress.

Last year Senator KENNEDY brought to the floor of the Senate an amendment which would have repealed both the oath and the affidavit. Speaking for his committee, he accepted on the floor of the Senate an amendment restoring the affirmative loyalty oath. However, even this modified proposal was rejected by the Senate.

Now again the opposing lines are being drawn. On the one side are various veterans' groups, patriotic societies, and individuals who argue that no one should hesitate to take a positive oath of allegiance to the country, and that no loyal young American should hesitate to declare his anticommunism. On the other hand, there are those opposed, including some spokesmen for the administration, presidents of colleges and universities, professors, and others who argue that both the oath and affidavit are unnecessary, ineffective, or discriminatory. The middle ground between these two positions is also occupied. In this area are those who for the most part are willing to accept the positive oath of allegiance, but are strongly opposed to the disclaimer affidavit.

To me the central issue in this controversy seems to be not one of loyalty or of security, but rather one of propriety.

No one can seriously believe that the basic security of the Nation will be drastically affected either by the continuation of the oath and disclaimer, by modification of them, or by removing them completely from the law. Certainly, no convinced Communist would hesitate to swear falsely. On the other hand, no one can prove that the integrity of the academic community will be destroyed if the oath and disclaimer are retained in the law. Our educational system is strong; students and educators are resilient; students have demonstrated that they can stand effectively against faculties; faculties seem to survive despite administrations; administrations seem to survive despite the regents, as in the case of State universities; boards of regents seem to survive despite State legislatures. All have had to put up with many difficult and disagreeable things.

What is called for in this matter is judgment on the part of Congress as to whether or not the general welfare of the country has been protected or advanced by the inclusion of the oath or affidavit in the National Defense Education Act. There are several general principles which must be considered here.

First, it is important that the history of the nature of oath taking be considered. The taking of an oath in Western civilization has always been considered as important. It has been an act of great religious as well as civil significance, and the use of the oath has generally been restricted to serious decisions.

Traditionally, oath taking has been surrounded with formal ritual, reflecting the solemnity of the occasion and the importance of the act both to the individual who took the oath and also to the community in the service of which it was taken. The oath taken by the President, the Vice President, the Members of Congress, the judges of the courts, members of the armed services, is a sign and public manifestation that they are making a serious decision; that they are performing a very special kind of act of dedication to the public welfare. It shows that they are taking up vital work of the community. The oath is a reminder to them of the importance of their responsibility, and it is also a public declaration to the people of the country that they are accepting these very special responsibilities.

The fundamental sanction of the oath is the name of God. It is not an unrelated declaration to say that no man should take the name of the Lord in vain.

Oath taking loses something of its significance and of its dignity and, I think, too,

something of its effectiveness if it is used commonly or lightly, without preparation, without due cause, without adequate ceremony. The dignity of the oath is lowered when an oath is used in a routine manner, as a mere step in the paperwork of making a loan. The oath should not be taken without reflection, without identification with public service. We should go slowly in extending oath taking to cover minor relationships of the state and its citizens. But making a loan to a student to enable him to go to college is essentially a personal financial contract. It is my opinion that such action taken alone does not merit the dignity of an oath such as is now required in the National Defense Education Act. This proposal comes very close to putting a cash value on patriotism.

The second principle which has bearing on this decision is fundamental to democratic society and democratic government. Democracy implies an affirmation of confidence in the integrity and responsibility of the individual person. In a democracy it is assumed that an individual is innocent of crime unless he is proven guilty. As far as his general acts as a citizen are concerned, it should be assumed that he is loyal until he has been proved to be other than loyal.

Democratic government acknowledges that the individual has personal responsibilities; that he has certain unalienable rights inherent in his nature as a man, and because of this nature, he must be given a measure of freedom and also a measure of responsibility for self-discipline which is outside the power of any group or any institution, including the state. There is a place for loyalty oaths and for oaths of allegiance in democratic society, but such an oath should not be presented ordinarily in a negative context, but rather as a proud and public affirmation of dedication to duty.

The record of history shows quite clearly that it has been the tyrannies—the tyrannical governments, the absolute monarchs, the totalitarian states—those governments which were most uncertain of themselves or which were on the verge of collapse that have made oath taking a rigid, common, if not universal, requirement. In our own generation we need go back only to the Nazi period in Germany. Under that regime every time a citizen of Germany met another citizen on the street, he was expected to raise his hand in salute and say, "Hell Hitler." This was an oath of allegiance or at least a declaration of his allegiance to Hitler and to the Nazi movement. Certainly this was not evidence of a vital living society, of a society made up of free men, but rather it was a sign of uncertainty, of hesitation, and of fear.

Basically, these are the considerations that are involved in the current debate; not in the same degree, of course, but certainly in substance. For the absolute monarch and for the tyrant, oath taking becomes a device to harass, to threaten, and to control citizens. Loyalty oaths of this kind are no real contribution to the security of a nation of free men, but rather a manifestation of insecurity reflecting a fear of government officials and others who seek to intimidate and frighten others and thus to reassure themselves.

I do not suggest that the loyalty oath in the National Defense Education Act is of this order. If it could be isolated, it might well be said to be insignificant, but there is danger that it will establish a trend which will not do honor to democracy or to the traditions of the United States. To extend a requirement for loyalty oaths to more and more relationships which are relatively unimportant or which are personal or which are socially insignificant is to run the danger of undermining our traditions and at the same time of destroying confidence in democratic government and in democratic institutions.

This danger was recognized in the very beginning of our Nation. I am sure that Thomas Jefferson would not have been happy at the prospect of imposing loyalty oaths on students seeking loans to enter the University of Virginia when that institution was established, for he said that he regarded it as "based on the inimitable freedom of the human mind. For here," he said, "we are not afraid to follow truth wherever it may lead, nor to tolerate error so long as reason is free to combat it." And following the Revolution, even the conservative Alexander Hamilton opposed the expurgatory oath which was designed to weed out the Tories in New York. Hamilton said that this oath would have the following effect: "To excite the honest and conscientious and to hold out a bribe to perjury. \* \* \* Nothing could be more repugnant to the true genius of the common law than such an inquisition \* \* \* in the conscience of men."

There is an interesting report on the matter of oath taking in Clarendon's "The Rebellion and Civil Wars in England." According to this history, in the year 1639 when King Charles was proceeding against the Scots, it was proposed that all members of the English nobility make a special protestation of their loyalty and obedience to the King and disclaim and renounce any intelligence or correspondence with the rebels. Two members of the English nobility, Lord Say and Lord Brook, refused to profess their loyalty to the King. They said, "If the king suspected their loyalty, he might proceed against them as he thought fit; but that it was against the law to impose any oath or protestation upon them which were not enjoined by the law; and, in that respect, that they might not betray the common liberty, they would not submit to it."

Finally, I think the decision on this question should take into account the principle that professional groups generally should govern their own members. Just as we assume that in a democracy every citizen will be loyal, so too we expect each profession to determine its own goals and to adopt its own procedures and rules for disciplining its own members. Sound democracy reserves the authority of government intervention only to those cases in which the common good is clearly threatened by failures by other groups or institutions.

We expect, for example, that the American Medical Association will promote medicine without government threat and that its members will abide by the Hippocratic oath and the other standards of the profession. It is common practice to permit the bar association to determine rules for admission and rules for practice and to discipline its own members. Each one who is admitted to the practice of medicine or of the law or to the other professions pledges faithful performance of his duties; indeed, the word "profession" itself is drawn from the action of professing or of taking an oath publicly.

The academic profession in turn has its own goals and its own responsibilities. Colleges and universities have a common purpose; namely, to help students seek and acquire truth. Each institution has its unique traditions and objectives. A student when he enters a college or university makes an implicit pledge of fidelity to the purpose of the university. If he does not adhere to its standards, he is likely either to withdraw or he is subject to expulsion. As a student, his professional responsibility is the concern of the college, and college authorities are expected to keep him aligned through a variety of efforts not excluding an appeal for loyalty to the "crimson," or to the "blue," or to the "maroon and gold," as the case may be.

Of course, it might be well if the very act of entering upon the work of gaining a college education were made an occasion of great public significance, and a public declaration of dedication called for. It might be desirable that all students who enter col-

lege take such an oath to remind them of the special social significance and social responsibility that go with education and to stir them to more solemn dedication to the fulfillment of the responsibilities that go with learning. But this is not the loyalty oath of the National Defense Education Act.

For the Government to intervene in the professional controls now exercised in our colleges and to take steps which purport to guarantee loyalty of students requires substantial evidence that the colleges have failed in self-discipline. I do not believe that the proponents of the loyalty oath have seriously questioned the loyalty of the academic community, faculty or students, nor do they declare that in fact any pattern of disloyalty actually exists. To my mind, the available evidence argues for continued confidence in the ability and integrity of teachers and administrations and also of American college students. I firmly believe that the basic issue here is really one of the propriety of oath-taking, of respect for the traditions of this Nation, and of the fundamental demands of democracy.

### Friendship With Costa Rica

#### EXTENSION OF REMARKS

OF

HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. DENT. Mr. Speaker, under leave to extend my remarks, I have recently had a most interesting and enlightening visit from the very able Ambassador of the Republic of Costa Rica to the United States, Manuel Escalante, upon his return to Washington from San Jose.

He presented to me a copy of their newspaper, *La Nacion*, that carried on its front page the translation of my remarks about Costa Rica. This survey of Costa Rica has made the people of all Central America feel that the Members of the Congress of the United States are interested in them and their problems. The Ambassador informs me that there has been tremendous interest generated in all Latin America by the trip to Costa Rica by myself and four of our Members which has produced a definite desire on our parts to know them better.

My predictions concerning the necessity to assist this stable and serious democracy with no army, has evidently been shared by three stalwart banks. They have found an economic way to partially accomplish what is needed with loans through the Chase Manhattan Bank, the Export-Import Bank, and the World Bank. The fact that of these three institutions, a private bank should make a loan of a substantial amount, shows very clearly that after extensive investigation and detailed economic studies, the potential of Costa Rica has only been sleeping and this initial help will begin the progress of raising their standard of living to keep pace with their educational progress.

This financial help had been applied for many months before our trip, and despite the fact that we are pleased with this step, I have to say that it is not enough and shows only purpose and intention to continue to help this very good

friend of ours in a substantial way. The sugar industry of Costa Rica is asking for an official increase of their quota to the United States of 55,000 tons, and they say it is a basic necessity for them, not only for the needed injection of dollars into their economy, but also to allow them to expand and cultivate the agricultural economy of their country.

I have to thank Ambassador Escalante for his detailed explanation of these economic facts and he has convinced me that it is no privilege but the definite program of his country to go ahead and meet their obligations with hard work. He has asked me to express to the other Members of the House and his friends who have visited Costa Rica, the sincere friendship of the Costa Rican people for the United States. On my behalf, I would like to congratulate the people of Costa Rica in their choice of a hard-working Ambassador who understands both our countries.

I believe the matter of revising our estimate under our sugar program is long overdue and without fail this Congress should do something about it at this time. We can take the easy way out by just extending the present law, however, if we want to really do something that will dispel some of the doubt of our sincerity in this hemisphere by acting now.

Our Latin American neighbors are not all sure that we have a proper evaluation of their friendship and the interdependence of our country with our neighbors to the south. We can do worse than concentrate on building our friendship where they count the most and I can think of no better place to start than in Costa Rica and no better proof of our appreciation than to do the things that count most both for ourselves as well as their peoples.

I believe that the majority of the Congress knows the importance of re-evaluation and reshuffling of our own sugar program.

This Congress will be remiss in its duties if it fails to act.

### A Bill To Amend the Norris-La Guardia Act of 1932

#### EXTENSION OF REMARKS

OF

HON. ELMER J. HOLLAND

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. HOLLAND. Mr. Speaker, at the request of Mr. Thomas Fagan, the president, and the other elected officials, as well as the membership of Local 249, General Teamsters, Chauffeurs, and Helpers, International Brotherhood of Teamsters, one of the outstanding locals in my district, I am introducing this bill designed to take the Federal courts out of running labor organizations. This bill would amend the Norris-La Guardia Act of 1932.

Mr. Fagan said "that since Congress saw fit to pass the Landrum-Griffin bill



last year providing that the union membership—and only the membership—has the right to make the final determination of making local union policy, then the intent of Congress is being disregarded when the courts take over the union affairs."

The Landrum-Griffin bill—

He continued—

specifically states that the ultimate remedy of any internal solution is entirely up to the membership of that union, and that no officer can be removed from office except by membership vote.

I quite agree with Mr. Fagan and I feel that our Federal courts are to hear cases and make decisions and should not have the right to manage the affairs of either business or labor, nor the right to run businesses or labor organizations.

This proposed legislation will enable the Federal courts to devote themselves to their normal judicial functions without the need to consider or undertake the administration of any labor organization. It will also permit the union officers, rather than judicial appointments, to run the labor unions.

I would like to point out that unless this proposed legislation is passed, the present condition merely provides another avenue for those who are opposed to organized labor to eliminate it by bleeding the treasuries for excessive charges to cover the costs of paying the expenses and salaries of these "judicially appointed administrators." According to the latest reports released by the Federal courts, it has cost the treasuries of the local unions nearly \$1 million to pay the monitors and the staffs as well as the legal fees.

The antiunion forces, which have flourished during the past 7 years, apparently realize they cannot beat the unions so they will, if possible, try to break them financially. They know if union funds are spent to cover salaries and expenses of judicial appointments and lawyers' fees, there will not be any available to promote organization work—if they cannot beat them, they plan to break them.

I feel the passage of this amendment will at least give the local labor unions a fighting chance to use their money for the interest of the membership.

## Twenty-five Years of Soil Conservation

### EXTENSION OF REMARKS

OF

HON. W. R. POAGE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. POAGE. Mr. Speaker, today, our Nation observes the 25th anniversary of the Soil Conservation Service.

I am confident that April 27, 1935, will be recorded as a turning point in the history of American agriculture, and of world agriculture. When the Congress adopted the Soil Conservation Act that created the Soil Conservation Service as an agency in the U.S. Department of

Agriculture, a government for the first time in history established a national policy for the deliberate conservation of its soil and water resources.

Since then we have set a pattern and a policy of conservation which scientists of other countries come here to study and to copy. The Soil Conservation Act signed by President Franklin D. Roosevelt on April 27, 1935, after the 74th Congress had passed the legislation without a dissenting vote, established the United States as a pioneer in the field of soil and water conservation.

Of particular interest to me has been the watershed development and flood-prevention phase of the overall soil and water conservation program. Watershed development has been a key part of the Soil Conservation Service program since its beginning. It set up its first demonstration projects within watershed boundaries. Many of the early soil conservation districts were organized on a watershed basis.

The formal watershed approach to soil and water conservation began in 1936 when the Congress passed the Flood Control Act. On May 15, 1952, I introduced the first bill (H.R. 7868) to establish a flood-prevention program. The idea was not enacted into law for 2 years but in 1953 Congress authorized the pilot watershed program. The next year, Public 566, the Watershed Protection and Flood Prevention Act, was passed and speeded up this work on a broad, national scale. It places the initiative in the hands of the local citizens. It gives them a chance to develop their own watershed plans. When they have completed their plans and organization, the Federal Government may come in at their invitation as a junior partner to help them carry out their watershed program. That is the American, the democratic way of doing things.

Sometimes, of course, just because it is the democratic way, things do not get done as quickly as the local people and we in Congress would like. We have to be careful in spending the taxpayers' money. We have to see that a proposed watershed program is feasible and economical; that it will produce benefits in excess of costs. There are times when a project has to wait until the landowners voluntarily make available easements or rights-of-way where dams are to be built.

However, we do get things done just as fast as money is available. This is especially true where the Soil Conservation Service is providing leadership. We get this important work done without sacrificing any of our essential freedom, and without relinquishing our individual rights.

During the past year, as the people have gained experience, the watershed program is moving faster. At first, as applications for Federal participation came in, progress was slow. But now, with hundreds of applications approved for construction work, we are moving into high gear. We are gaining momentum. The pace is steadily increasing. The requirement for funds is greater than ever. We need and seek the understanding of the Appropriations Committee.

I also want to recognize the other parts of the Soil Conservation Service's responsibilities, such as technical service to soil conservation districts and the Great Plains conservation program. All of these various parts are important and necessary. They all fit naturally into the whole, well-rounded program envisioned by the Congress when it passed the original Soil Conservation Act 25 years ago.

Under that act and the additional legislation adopted since then, the Soil Conservation Service has been doing a tremendous job. It is working with both rural and urban people in their efforts to conserve and develop our essential natural resources of soil, water, plants, and wildlife. On this anniversary the Nation salutes the Soil Conservation Service for its first quarter century of devoted, productive work. It is our sincere hope and expectation that the next 25 years will be equally as productive.

Unless we save our soil it will surely not save us.

## Residual Fuel Oil

### EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. SAYLOR. Mr. Speaker, now would seem the appropriate time for Members of Congress to advise those responsible for the oil import control program that we are not satisfied with the elevator operation to which the Nation has been exposed since the program took effect last year.

I need not remind Congress that mandatory controls were effectuated by the President because of the failure of the oil shippers to adhere to requirements of the so-called voluntary control program. The latter plan was a consequence of a study and recommendation by a Cabinet committee concerned with the debilitation of domestic fuel industries by excessive oil imports. The recommendation was implemented by Congress through the national defense amendment to the bill extending the Reciprocal Trade Agreements Act.

There were doubts, Mr. Speaker, about the effectiveness of the voluntary program. Some of us were not convinced that it would work. Eventually the administration and Senate leaders agreed that this means of safeguarding the strength of domestic fuel industries was acceptable and had to be made workable.

The failure of the voluntary program is now a matter of record, and the mandatory program will also go into the books as a complete failure unless established rules are enforced beginning no later than July 1 of this year. The reasons are obvious.

International oil companies cannot be left to their own devices. It was only a short time after the President signed the trade agreements bill in 1958 that

importers began to flood the country with foreign residual oil. The 1954 levels, as recommended by the Cabinet Committee and translated into the Trade Agreements Act, were immediately ignored. The final residual oil import figures for 1958 were 182 million barrels, with the surge increasing in the early months of 1959.

It was this disregard of the voluntary program that prompted President Eisenhower to proclaim the mandatory program—based on 1957 levels—effective April 1, 1959. For a short time it appeared that shippers would respect the official allocation levels, but their avaricious tendencies became apparent long before the end of 1959. The year's totals—from January 1 through December 31—amounted to 223 million barrels, or 50 million barrels in excess of the 1957 levels. Unfortunately, the Department of Interior, caught in this swirl of foreign residual oil, agreed to a 17-percent increase in allocations for the first half of 1960. Even this generous concession was not satisfactory to the importers, however, and with the advent of the new year, shipments of residual oil immediately began to spiral upward once again. In the last week of January the daily average went to 946,000 barrels in contrast to the new allotment of 425,000 barrels. Within a short time almost all of the allowable volume had moved into this country, leaving the shipping companies to plead for another raise in controls to prevent a cutoff in the last 2 months of the January-June picture.

I do not excuse the Department of Interior acceding to the greedy demands of the international oil peddlers; their diabolical scheme should have been recognized when shipments jumped sharply in the early weeks of the year. Inasmuch as the control program had been in operation for a comparatively short time, however, the Interior Department may be partially excused on the grounds that it had no previous experience in administering such a program. No such excuses will be acceptable to the Congress in the months and years to follow.

To suggest that incoming shipments should be restricted to a day-to-day or week-to-week, or even month-to-month allotment would be impractical.

Secretary Seaton's announcement that a 3-month allocation period would be substituted for the half-year schedules would seem to be a logical development. I believe that, in this way, imports can be controlled effectively.

What I now want to learn is exactly how much oil is to be admitted during the first 3 months of this new experimentation. I suggest that it would be in defiance of congressional intent to set import levels in excess of the 1957 record. Of equal importance is the plan of enforcement. The Interior Department will be in default if it fails to accompany its schedule publication with a qualified warning that any breach of the allocations will not be tolerated. If the Secretary feels that a provision for penalizing violators should be written into law, I am confident that Congress will recog-

nize his request. Certainly there is no disputing the implied will of Congress in its enactment of the national defense amendment. Members of the Senate were given unequivocal insurance that oil import levels would be set on the 1954 statistical tables.

Mr. Speaker, today I am arranging for a delegation from the House, representing affected States, to visit with officials of the Department of Interior responsible for setting up and administering the oil control program. I invite colleagues concerned with the recent departure from a previously announced course of action in the oil control program to accompany me to this conference.

The national defense amendment was created to provide protection for domestic industries that would be required to carry the energy load in an emergency. Unless the spirit of this act is carried out, further destruction of America's coal- and oil-producing industries is inevitable. The volume of imports admitted in 1959 over the 1957 limit was equivalent in energy value to 12 million tons of bituminous coal. There is no doubt that the coal mines of Pennsylvania, West Virginia, and Virginia would have participated in business approximating this tonnage had not the importers chosen to ignore the standards set by the U.S. Government. We are in a bad way when international traders are permitted this latitude. To submit to their arrogance is unprincipled; it is shameful; it is odious.

I ask my colleagues to join me in a meeting with the Department of Interior so that we may state in unqualified terms the wishes and expectations of the legislative branch of this Government.

### Development Center of the United Cerebral Palsy of Northern Virginia

#### EXTENSION OF REMARKS

OF

HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. BROYHILL. Mr. Speaker, among the hundreds of organizations, large and small, that are engaged in trying to mitigate human misery, once in a while a relatively small one is particularly noteworthy because of the importance of the work it is doing, and because of the devotion with which members of the organization approach their task. I would like to call attention to one of these, the Development Center of the United Cerebral Palsy of Northern Virginia.

There can be no more worthy a goal than that of this center—the alleviation and cure of the much dreaded cerebral palsy that affects so many of our children.

A baby afflicted with cerebral palsy is born every 53 minutes, but if a special development center in nearby northern Virginia has anything to do with it,

children stricken with this dreadcrippler will have a much easier time of it. And, eventually, cures for this feared scourge may be found through research efforts spurred by the center.

The devotion to the task by those participating in the activities of the center can best be illustrated by tracing the development and operation of this wonderful organization.

In a sense, the story of the genesis and progress of the center, which is located at 111 North Cherry Street in Falls Church, is nearly as exciting as the work being done there.

Some 10 years ago a small but determined group of northern Virginians, alarmed by statistics that 1 out of every 300 children born is afflicted with cerebral palsy and by the fact that no facilities were available locally to fight the Nation's No. 1 multiplecrippler, decided to do something about it. The nucleus of this group was made up of parents, relatives, and friends of the children who had been stricken with this type of brain injury.

Although victims of cerebral palsy were to be found in great numbers in the area, these leaders were shocked to realize that there was a complete lack of facilities there for treatment and education on the subject. Through their efforts, United Cerebral Palsy of Northern Virginia, a nonprofit, nonsectarian, voluntary organization came into being.

Focal point for operations of the group is the Northern Virginia Cerebral Palsy Development Center for preschool children. Provided rent-free by the city of Falls Church, it is the only facility of its kind in northern Virginia. It operates solely through contributions from area residents.

United Cerebral Palsy of Northern Virginia also contributes to National and State research activities on cerebral palsy, particularly at the University of Virginia, and conducts an extensive educational program for parents, volunteers and the general public.

A visit to the Cerebral Palsy Development Center is an inspiring yet sobering event. Here one sees, face to face, the grim manifestations of this dreadcrippler. Here one witnesses men and women dedicated to the task of easing the lot of these afflicted, and striving desperately to restore usefulness and happiness to stricken children.

In truth, a whole new world of opportunity and joy is opened up for the 24 youngsters who are fortunate enough to share the facilities of the center. They come from assorted families in the area, since wealth or poverty play no part in the selection of students.

At the center, pre-school children who had little or no hope of attending regular school, yet who might be considered educable, receive daily training, therapy, companionship, and friendship. These ingredients are essential to a program of emotional, educational and physical development.

Some of the students were unable to swallow, or talk, or walk, or even stand, when they first enrolled at the center. Long hours of patient training, under the guidance of experienced teachers has resulted in slow but sure progress



for these students. More than 10 percent have been rehabilitated to the point where they have been able to move on to regular schools.

At present, the center maintains a staff of two full-time and four part-time employees. In addition to these professionally trained staffers, many volunteers have cheerfully donated their services to the cause.

Although in the short span of 5 years enrollment has increased from 4 to 24, much more remains to be done. Scores of other cerebral palsy children in northern Virginia could benefit from the wonders the center has to offer.

Those who are interested in the development center know that they have just scratched the surface, and are currently engaged in an expansion program. I want to take this opportunity to wish them well, and to assure them of my full support.

### Third Meeting of Canada-United States Interparliamentary Group—Joint Press Statement

#### EXTENSION OF REMARKS OF

**HON. EDNA F. KELLY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mrs. KELLY. Mr. Speaker, last week it was the honor and pleasure of the United States to serve as hosts to the Canada-United States Interparliamentary Group. Under the terms of the authorizing resolution 24 legislators from each of the two countries comprise the group. For the United States 12 members are from the House and 12 from the Senate.

It is my privilege to serve as chairman of the House delegation. But I must state that my work was made easier by the splendid cooperation of the chairman of the Senate delegation, Senator GEORGE D. AIKEN, of Vermont. He always was available for guidance and assistance no matter how pressing his other commitments.

The steering group of the House, in addition to myself, included Hon. FRANK M. COFFIN, of Maine, Hon. CHESTER E. MERROW, of New Hampshire, and Hon. WALTER H. JUDD, of Minnesota.

I want to express my appreciation to the other members of the House delegation—Hon. WAYNE N. ASPINALL, Colorado; Hon. SIDNEY R. YATES, Illinois; Hon. LEONOR K. SULLIVAN, Missouri; Hon. FRANK IKARD, Texas; Hon. GERALD R. FORD, Jr., Michigan; Hon. W. R. POAGE, Texas; Hon. DON L. SHORT, North Dakota; and Hon. THADDEUS J. DULSKI, New York. Hon. MELVIN PRICE, Illinois, also participated. Senators also participated to the extent their time permitted. Both bodies had heavy floor schedules last week. Despite that, participation by U.S. members was excellent.

The staffs of the Committee on Foreign Affairs and of the Committee on

Foreign Relations as well as Canadian staff members handled the maze of details that contributed to the success of the meetings.

Secretary of State Herter spoke informally at the opening plenary session. Other members of the executive branch also devoted time to background work. To all of them I say, "Thank you."

Our former colleague, Mr. Wigglesworth, now our Ambassador to Canada, made a special trip to Washington with Mrs. Wigglesworth to attend the final dinner. Both the United States and Canadian delegates were more than pleased by the presence of Ambassador and Mrs. Wigglesworth.

The luncheons and the dinner on Friday evening were attended by other Members of the House. To all I want to extend my appreciation for taking part in making our guests feel welcome.

The Washington meetings were followed by a trip to SAC headquarters in Omaha and to Norad headquarters in Colorado Springs. The latter is a joint United States-Canada command for the defense of North America. The commanding officers of both commands, Gen. Thomas Power and Gen. Laurence S. Kuter, together with their staffs, provided the members of the group with a splendid presentation of their respective responsibilities.

The Speaker of the House of Commons, Hon. Roland Michener, and the Speaker of the Senate, Hon. Mark R. Drouin, together with colleagues from both bodies, actively participated in all the discussions and functions. One of the delightful sides of the meetings with our Canadian opposites is the pleasant air of informality that pervades them. There are no difficulties of communication or bothersome details of protocol.

The meeting was divided into three panels—one on boundary problems, one on economic problems, and one on defense. Delegates from both countries exchanged their views and contributed to the education of the others. We explored the nature of the particular subject in an endeavor to understand better these mutual problems and related ideas. It is surprising how informal talks corrected misunderstandings.

To make known to my colleagues the range of discussion, under unanimous consent I insert at this point the press release agreed to by all the delegates at the conclusion of the Washington meetings:

#### THIRD MEETING OF CANADA-UNITED STATES INTERPARLIAMENTARY GROUP—JOINT PRESS STATEMENT

The Canada-United States Interparliamentary Group, composed of 24 members of the Parliament of Canada and 24 Members of the Congress of the United States, today concluded 2 days of discussion on matters of common interest in the two countries.

The group continued its procedures of having informal, off-the-record discussions and refrained from making recommendations, leaving it to each national delegation to make such reports and recommendations to its respective authorizing institutions as it determines.

The group met in plenary sessions on Thursday morning and Friday afternoon and held two sets of committee meetings on Thursday afternoon and Friday morning.

Committees discussed the following subject areas: (1) Defense cooperation and disarmament, (2) boundary problems, (3) economic problems of common concern.

The Committee on Defense discussed certain aspects of defense policy, and the use of North American productive facilities for defense purposes, which have implications of mutual importance to the United States and Canada. The Committee also discussed the prospects for disarmament and the need for planning that will facilitate an orderly transition from military production to production for peaceful purposes, including public works.

There was general agreement that while seeking with all vigor for an understanding with the Communist bloc based on mutual trust and confidence, the West must maintain adequate defenses until the Soviet camp accepts an inspection and control system of sufficient scope and efficiency to justify the commencement of active measures of disarmament.

The Committee considered the changing character of the threat to North America and the effect of this on the operations of the North American Air Defense Command (Norad). It was recognized that in addition to the military problems which will have to be faced during the next few years, the adoption of new weapons systems and concepts of defense will cause local economic readjustments which in some areas may be severe.

The Committee noted that during the last year there had been considerable progress in the program of defense production sharing between the United States and Canada. This was reflected in the fact that Canadian industry in 1959 received U.S. defense contracts valued at \$96.3 million; it was noted, however, that Canadian defense equipment purchases in the United States in the same period amounted to \$116.6 million. The Canadian members of the Committee expressed the view that the progress achieved to date was in no small measure due to the consideration given to the problem by the Interparliamentary Group at its meeting in June 1959. There was general agreement that a continuing effort was needed in both countries to achieve and maintain an adequate balance in defense purchasing between Canada and the United States.

After deciding which subjects should be discussed, the Boundary Problems Committee came to the following conclusions, which it approved for transmittal to the plenary session:

1. Passamaquoddy tidal power project: It is important to determine whether the Passamaquoddy project is economically feasible. Meanwhile, judgment should be reserved awaiting further studies by the International Joint Commission. The Committee feels that this topic should be retained on its agenda.

2. Hudson-Champlain-Richelieu Waterway: Now that the St. Lawrence Seaway is in operation the two Governments should consider referring to the International Joint Commission the question of the economic feasibility of further development of this waterway, taking into account the possible increase in trade between Canada and the United States which might result.

3. Columbia River Basin development: The Canadians welcomed statements by U.S. delegates that no particular project of interest to the U.S. delegates should be allowed to stand in the way of a treaty on this subject based on the principle of optimum development of the Columbia River Basin with mutual sharing of the benefits. Once this principle has been adopted by the two Governments particular projects will fall into their appropriate order.

4. Chicago diversion: This subject was again thoroughly and vigorously discussed and no change of the positions of the respective delegates emerged. The Canadian

delegation appreciates the waste disposal problem facing Chicago.

5. Pollution in the Great Lakes: Both delegations expressed concern about increasing pollution both from lake cities and shipping. It was agreed that it would be useful for the two Governments to study remedial measures.

6. Yukon-Alaska problems: Canadian delegates expressed concern that a proposed high dam at Rampart, Alaska, may prejudice maximum development for the benefit of both countries of the Yukon River power potential. Canadian delegates raised the questions of some form of free port facilities for Canada in the Alaska panhandle and corridors across it. U.S. delegates suggested that additional information about these matters be furnished to them before the next meeting of the group and that they be placed on the agenda for the next meeting.

The Economic Problems Committee approved the following summary for transmittal to the plenary session.

#### 1. COMMON TRADE PROBLEMS, ESPECIALLY WITH WESTERN EUROPE

The Committee agreed that economic progress abroad and the changing pattern of trading relations in Europe were creating new opportunities and serious problems for Canada and the United States. It was recognized that the interests of our two countries diverged to some extent in the face of these developments, partly because of political considerations and partly because of the greater dependence of Canada on international trade and the narrower range of its exports.

The merits and demerits of solutions based on different methods of computing tariffs and of tax relief were briefly explored. No firm agreement was reached concerning the respective cases for the "Inner Six" and "Outer Seven," but a consensus did appear on the need for the United States and Canada to cooperate closely and to work toward new arrangements with their European allies on a North Atlantic basis.

#### 2. BILATERAL PROBLEMS

##### (a) The Canadian oil problem

Attention was drawn to the difficulties being experienced in the Canadian oil industry (particularly in Alberta) due to lack of markets for increasing oil supplies. Canadian delegates described various possible solutions, notably that of increasing domestic consumption, recognizing that some of these have foreign policy implications. Reference was also made to recently issued Canadian regulations governing oil and gas exploration in the Yukon and Northwest Territories.

##### (b) Metals and minerals

The Committee recognized the intimate and important relationship between United States and Canadian production and markets for such commodities as lead and zinc, aluminum, copper, nickel, and uranium.

A U.S. delegate described the depressed lead and zinc condition in his country and foresaw no significant change in conditions over the near future in respect of either production or importation.

The delegates then considered the uranium and aluminum situations. In view of recent developments, the discussion on uranium was mainly in terms of the prospects which might emerge in a few years time, which did not now appear very auspicious for producers. On the other hand, the outlook for aluminum was regarded as more promising.

A U.S. delegate drew general attention to the increasing significance of Latin American markets for both Canada and the United States, and to the implications of prospective competition from expanding Latin American production of commodities such as oil, gas, and iron ore.

#### (c) Wheat

There was considerable detailed discussion of the surplus wheat problem confronting both the United States and Canada. No new approach was advanced for the problem, and there was general agreement that current arrangements, unsatisfactory though they might be, were still the best available in the existing situation. Both delegations were anxious to insure continuing close bilateral consultations in order to avoid damage to established foreign commercial markets; Canadian delegates expressed their gratification at the way in which this consultation had developed.

At the first plenary session, U.S. Secretary of State Herter welcomed the Canadian delegates and wished the meetings success. In the plenary sessions recommendations by delegates from both countries laid stress on the necessity for the people of each country to learn more about the other. The suggestion was made that the educational systems in the United States and Canada might well take account of this need.

The Canadian delegation extended an invitation to the U.S. delegation to visit Canada sometime during the month of August 1960, and to visit industrial and mining areas.

On Saturday and Sunday, the Group will fly to the U.S. Strategic Air Command Headquarters at Omaha, Nebr. and to the Joint Canada-United States Air Defense Command at Colorado Springs, Colo., to receive briefings and make inspections at these installations, and will return to Ottawa and Washington Sunday evening.

These meetings of the Canada-United States Interparliamentary Group help to promote a unity of purpose, a unity of thought, and a unity of spirit, to the end that our Western way of life and government is preserved for future generations.

### Secretary of Labor James P. Mitchell Urges Railway Labor and Railway Management To Adopt a Common Viewpoint by Recommending a Fundamental Overhauling of the Interstate Commerce Commission and Gradual Elimination of All Government Subsidies in Transportation in America

#### EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 27, 1960

Mr. VAN ZANDT. Mr. Speaker, Secretary of Labor James P. Mitchell, in an address at the Railway Employees' Department Convention, Chicago, Ill., April 27, 1960, suggested to railway labor and railway management that they join in recommending a fundamental overhauling of the Interstate Commerce Commission and gradual elimination of all Government subsidies in transportation in America.

Pointing out that the railroads no longer have a monopoly, Secretary Mitchell said "so the regulations that govern them must be accommodated to the new competition." Urging that an overall approach on the part of the Federal Government to transportation is an

essential, Secretary Mitchell continued by stating:

We need a fresh approach to economic policies, regulation, subsidies, and taxation. And certainly for the railroad industry no one is in a better position to suggest the right changes than the men and women of the railroad industry, both those who work and those who manage.

Secretary Mitchell pointed out that the railroad industry while a major element today in a total system of transportation infinitely more complex and variable is but only one element, and that the relative position of the railroads in competition with other modes of transportation has declined.

It is my belief that Secretary Mitchell's address will be of great interest to my colleagues and for that reason at this point I wish to incorporate it in my remarks:

ADDRESS BY SECRETARY OF LABOR JAMES P. MITCHELL AT THE RAILWAY EMPLOYEES' DEPARTMENT CONVENTION, CHICAGO, ILL., APRIL 27, 1960

I am pleased to have this opportunity to comment upon the present situation of the American transportation system, especially that of the railroads and the men and women who make their living in that industry.

It will be the judgment of history that in recent decades other modes of transportation have successfully challenged the former monopoly of the railroads so that this basic mode of transportation now finds itself increasingly in need of a workable, dynamic competitive position.

Not too many years ago a person traveled from one place to another in America by rail, or he stayed home. An industry shipped its goods and received its materials by rail, or not at all. The railroads tunneled mountains, crossed rivers, spanned plains, and what moved for any distance moved over them.

Today the railroads are a major element, but only one element, in a total system infinitely more complex and variable. It is true that both passenger and freight traffic on the railroads has increased absolutely; it is also true that the relative position of the railroads as a mode of transportation in competition with others has declined.

With the steady growth of the American economy has come a network of high-speed highways that link major metropolitan areas and small towns. Powerful diesel trailer trucks, capable of delivering large loads, move over this network of roads and offer a reasonable alternative to shipment by rail, certainly for the short haul.

With a rising standard of living, automobile ownership has grown to the point where the average American has, parked outside his house, an attractive alternative to traveling by rail.

Airlines offer a faster long haul alternative to railway passenger travel, with service intentionally emphasized. With the advent of the jet cargo plane in a matter of years, perhaps sooner, some of the long haul, high-revenue freight traffic of the railroads will be further challenged.

There is nothing to indicate that the growth and progress of formidable competitors to the railroads is going to diminish; I think the opposite is true.

Since this change in American transportation already has had serious effects upon railroad employment, the membership of the rail unions is justly concerned about the future.

I would like to suggest today some of the ways in which that concern might be translated into more effective action than has been evident in the past.



The question before all of us who are interested in a sound railroad industry and a sound transportation system is how we can derive the maximum good from change—that good being a stable, unified transportation system with efficient components that offer both employment stability and competitive advantage, with a minimum of cost to the individual citizen and his family, and to the communities in which those families live.

It should conserve and use the vast investment already made in the lifetime training and experience of its employees, of the many billions of dollars in plant and equipment.

How do we get such a system?

More to the point here: how do the people of American railroading help the industry to hold position?

It makes good sense to me to begin the answer by confronting the difficult truths of change—to start with the premise that if a competitive position is the basic need of today's railroads then it is to the interest of everyone who looks to the railroads to contribute to the finding and holding of such a position.

An acceptance of this first of facts might lead railroad labor and railroad management to the acceptance of new postures; where the rail unions have been in the past an articulate opposition to changes that endanger the welfare of their membership, there may now exist the need for them to join with management to present an equally articulate opposition to whatever endangers the competitive position of their industry. Management might join with the unions to formulate recommendations toward a public transportation policy more in keeping with the realities of 1960 and not so reflective of the vanished realities of 1920.

I do not think that a competitive position for railroads can be achieved if the collective-bargaining table continues to be the only instrument for communication between rail unions and rail management.

This may seem an awkward time to suggest such a thing; actually there is no better time. The railroad unions of America have represented their memberships before management with great credit and success. Rail management, faced with the difficulties of competition, has faced many volatile decisions; the record of a century of service has been a good one.

But now both must realize that the field has widened, that the railroad industry finds itself one part of a competitive transportation system that seeks to obliterate the inefficient and unattractive. If labor and management face the need for new and progressive positions in such a changing world, they face that need together.

To the question of Government regulation, for example, the railroad industry might, and I think should have, a single, strong answer—an industry answer, not one labor and one management answer.

The present structure of Government regulation is based upon a time in economic history when the rails had, in effect, a monopoly in transportation. By protecting the public welfare in the regulation of railroads, the Government protected the public interest in the only mode of transportation that mattered.

As the rails are no longer a monopoly, so the regulations that govern them must be accommodated to the new competition. An overall approach on the part of the Federal Government to transportation is an essential. We need a fresh approach to economic policies, regulation, subsidies, and taxation. And, certainly for the railroad industry, no one is in a better position to suggest the right changes than the men and women of the railroad industry, both those who work and those who manage.

I suggest that a fundamental overhauling of the Interstate Commerce Commission and the laws that govern transportation is necessary so that Federal regulation produces equality of competition and not an index to the competition of yesterday. A joint recommendation on this subject from labor and management would go a long way toward achieving that end. If a joint recommendation is not possible, certainly separate recommendations would be in order.

And what of Government subsidies?

The Government subsidizes the building of ships and the losses of American-flag lines. It deepens and develops inland waterways. It subsidizes airlines through the construction of terminals and the carrying of mail. It has subsidized truckers through building public roads. The railroads remain the great unsubsidized portion of the American transportation system.

I suggest that we seek the gradual elimination of all Government subsidies in transportation in America and consider the introduction of user charges so that each mode of transportation carries its fair share of the burden of public expenditures from which they now profit unequally.

A joint recommendation from labor and management in the railroad industry would go far toward achieving this end also; and again, separate recommendations, in the event a joint one is not possible, would most certainly be in order.

Now, the development of these kinds of recommendations, offered on behalf of the entire industry, is an entirely different objective than that of collective bargaining, and it requires a different kind of labor-management approach.

I believe that the railroad industry position on matters like Government regulation and subsidies and user charges would be a strong one, and would contribute to an improved competitive posture for railroads, if it represented the best joint thinking of both labor and management, if it were a total industry position.

Certainly the health of the industry is a matter for common concern, and as the industry benefits from a better situation so do all of the people within it.

Certainly economic change does not wait; lack of flexibility means lost jobs and a continuously deteriorating position.

No one in the railroad industry can afford to have his head stuck in the sands of 30 years ago.

It doesn't mean much to win a collective bargaining battle and lose the whole competitive war.

Collective bargaining "business as usual"—without a real effort to join outside the bargaining table and develop competitive measures—could mean no business at all.

We have big markets in America; we are going to have bigger ones. The railroads' share of them will determine whether or not jobs will continue to be lost, or won back—and that share depends upon the extent to which labor and management can develop a cooperative method for finding a better competitive posture.

One of the things we face in this country is a growing urban-suburban transportation problem which is going to get worse before it gets better. A few years from now the entire eastern seaboard from Richmond to Boston will be, in terms of transportation need, virtually a single urbanized area with metropolitan centers at intervals. I would think that here would be an area where the railroads, with their rights of way, their terminals in the centers of the metropolitan areas, their established links between suburb and city, could step forward with a comprehensive transportation plan that takes account of their advantages.

If, before such a plan could become operative, Government regulations at several levels

needed to be cleared away, then why shouldn't rail labor and rail management offer a recommendation to accomplish that?

At an even more immediate level, there are questions of attractive service, of adequate equipment and of productivity that can snarl up a bargaining table while railroad competitors keep moving ahead—but the answer is not in referring these questions to bargaining but to a different kind of meeting, one in which the leaders of rail labor and the officials of rail management come without the need for combatting each other but with the need for cooperating with each other.

And that need grows with the economy.

The railroad industry has benefited for many years from the provisions of the Railway Labor Act. It has been a good law, and is still a good law for dealing with subjects that can be settled by legal machinery. But it involves deadlines; it involves procedures that move in a regular and orderly sequence toward decision. I wonder how far a piece of legal machinery, no matter how trustworthy for other purposes, should be trusted to resolve questions in which not only the competitive posture of an entire industry but the lives and jobs of many thousands of people are involved?

It seems to me that is letting the law manage men; I think we would all prefer to see men manage themselves.

The single question of work rules and practices that were practical in their day but that might now be obsolete cannot be approached without the most careful consideration and deliberate study—a consideration and study that cannot take place under the gun of a deadline.

It takes a long time and a lot of patient effort to solve any problem in which the welfare of human beings is involved; I would be hesitant about referring that kind of problem to a process that is going to click right along toward what has to be a comparatively immediate solution.

Labor and management in the railroad industry might think about this as they consider how to meet their problem of change, and as they contemplate a mechanism to assure themselves, and the public, that their relationship will be fruitful.

I would like to suggest four ground rules within which collective bargaining and additional cooperative discussion between labor and management in the railroads might take place—a discussion designed to formulate a total transportation policy for the entire industry as it stands in competition with other modes of transportation, a discussion from which might come recommendations on Government regulation and subsidies, and a discussion from which might come understanding and agreement on specific industry problems like adequate equipment, improved services and higher productivity.

The first of these ground rules is that compulsion of an involuntary nature is not a solution to railroad problems. Compulsory arbitration can solve none of the problems I have implied; it can only create new ones.

Secondly, working men and women have something akin to a property right in work procedures and customs engaged in for many years and resulting from bargaining agreements, and these rights should be modified or forfeited by consent, not compulsion.

Thirdly, management, cannot manage or exist without the ability to maneuver flexibly to meet competitive challenges. The status quo is not an answer to the challenge of change; standing pat is often an optical illusion for going backward.

Finally, both labor and management bear a public responsibility that will make itself felt, sooner or later.

The rejection of compulsion, the rejection of forced change, the rejection of stand-patism, and the acceptance of the crucial impact of public responsibility—within these four ground rules, it seems to me, rail

labor and rail management can fruitfully explore the problems, some of which now divide them, with the objective of creating a common understanding and a joint policy to keep the American railroad industry in

a competitive position, break new ground for it, protect employment, and produce the one thing that will make the difference: the best service for the best price.

Thank you.

## SENATE

THURSDAY, APRIL 28, 1960

The Senate met at 10 o'clock a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Lord Most High, before whose infinite majesty and greatness we bow in deep humility, we come acknowledging our littleness and our dependence. Thou art full of grace and truth.

Thou hast promised to teach judgment to the meek and to impart divine secrets to the pure in heart. Entering in through the lowly doors of our fallible petitions, wilt Thou fill the house of our lives with the melody of Thy will and Thy peace?

We thank Thee for this world of beauty in the midst of which we walk, for the dawning light out of darkness, for all the bountiful gifts of love and of friendship, for sunny memories of remembered yesterdays, for the stirring challenges of these epic days, and for every hope that beckons us on to radiant tomorrows.

In the midst of the tests and tasks of these baffling times, keep our hearts singing:

This is my Father's world,  
O' let us ne'er forget,  
That though the wrong  
Seems oft so strong,  
God is the Ruler yet.

Amen.

### THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, April 27, 1960, was dispensed with.

### LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

### COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Post Office and Civil Service was authorized to meet during the session of the Senate today.

On request of Mr. MAGNUSON, and by unanimous consent, the Committee on

Interstate and Foreign Commerce was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet during the session of the Senate today:

The Special Investigating Subcommittee of the Committee on Agriculture and Forestry;

The Subcommittee on Flood Control, Rivers, and Harbors, of the Committee on Public Works;

The Fiscal Affairs Subcommittee of the Committee on the District of Columbia.

Mr. MAGNUSON subsequently said: Mr. President, I desire to make an announcement. Several Senators had arranged to be present at the meeting of the Interstate and Foreign Commerce Committee. There are several nominations before that committee in which they are interested. However, in view of the situation on the floor of the Senate, I have decided to postpone the meeting.

### AUDIT REPORT OF NATIONAL FUND FOR MEDICAL EDUCATION

The PRESIDENT pro tempore laid before the Senate a letter from the executive vice president, National Fund for Medical Education, New York, N.Y., transmitting, pursuant to law, a report of an audit of that fund for the year ended December 31, 1959, which, with the accompanying report, was referred to the Committee on the Judiciary.

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CANNON, from the Committee on Armed Services, without amendment:

H.R. 10474. An act to authorize the construction of modern naval vessels (Rept. No. 1296).

By Mrs. SMITH, from the Committee on Armed Services, without amendment:

H.R. 9464. An act to remove the requirement that, of the Chief and Deputy Chief of the Bureau of Ships, one must be specially qualified and experienced in naval engineering and the other must be specially qualified and experienced in naval architecture (Rept. No. 1297).

By Mr. SALTONSTALL, from the Committee on Armed Services, with amendments:

H.R. 9465. An act to authorize the extension of a loan of a naval vessel to the Government of the Republic of China (Rept. No. 1298).

By Mr. BRIDGES, from the Committee on Armed Services, without amendment:

S. 2969. A bill to authorize the award posthumously of appropriate medals to Chaplain George L. Fox, Chaplain Alexander D. Goode, Chaplain Clark V. Poling, and Chaplain John P. Washington (Rept. No. 1299).

### INCREASED EXPENDITURES FOR HEARINGS BEFORE COMMITTEE ON ARMED SERVICES

Mr. RUSSELL, from the Committee on Armed Services, reported an original resolution (S. Res. 310) increasing the limit of expenditures for hearings before the Committee on Armed Services, which was referred to the Committee on Rules and Administration, as follows:

*Resolved*, That the Committee on Armed Services hereby is authorized to expend from the contingent fund of the Senate, during the Eighty-sixth Congress, \$10,000 in addition to the amount, and for the same purposes, specified in section 134(a) of the Legislative Reorganization Act approved August 2, 1946.

### EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Lt. Gen. William H. Tunner (major general, Regular Air Force), U.S. Air Force, to be placed on the retired list in grade of lieutenant general; and

Maj. Gen. Ralph P. Swofford, Jr., Regular Air Force; Maj. Gen. Edward H. Underhill, Regular Air Force; Maj. Gen. Donald N. Yates, Regular Air Force; and Maj. Gen. Joe W. Kelly, Regular Air Force, to be assigned to positions of importance and responsibility designated by the President, in the rank of lieutenant general.

By Mr. THURMOND, from the Committee on Armed Services:

William T. Alexander, and sundry other officers of the Naval Reserve, for temporary promotion to the grade of rear admiral; and Col. Andrew B. Cannon, and sundry other officers, for temporary appointment in the U.S. Air Force.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service; 12 postmaster nominations.

### BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENNINGS:

S. 3436. A bill to amend the Federal Firearms Act so as to regulate more effectively the shipment of firearms, known as pistols and revolvers, in interstate commerce, and thereby to assist local jurisdictions in controlling the use of such weapons by juveniles and irresponsible persons; to the Committee on the Judiciary.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 3437. A bill to provide for the establishment of a municipal arts council representative of local nonprofit organizations and institutions, including educational organizations and institutions, in the District of Columbia with active programs in the arts, to set aside for such local cultural